

TO BE MAJOR

Capt. Benjamin Bowering, Coast Artillery Corps, from March 9, 1934.

TO BE CAPTAIN

First Lt. Charles Theodore Skow, Air Corps, from March 9, 1934.

TO BE FIRST LIEUTENANTS

Second Lt. John Jordan Morrow, Air Corps, from March 9, 1934.

Second Lt. Mercer Christie Walter, Field Artillery, from March 10, 1934.

Second Lt. Theodore John Dayharsh, Coast Artillery Corps, from March 10, 1934.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 19 (legislative day of Mar. 15), 1934

PUBLIC HEALTH SERVICE

TO BE MEDICAL DIRECTORS

Harry J. Warner.

Robert Olesen.

Charles M. Fauntleroy.

TO BE SENIOR SURGEONS

Knox E. Miller

John H. Linson

Joseph G. Wilson

Newton E. Wayson

Clifford E. Waller

Frank M. Faget

Charles V. Akin

POSTMASTERS

ILLINOIS

Joseph I. Kvidera, Cary.

Eugene P. Kline, East St. Louis.

Owen Kelly, Farmington.

Clifford W. Brewer, Knoxville.

John H. Priept, Mendon.

Mervin N. Beecher, Yorkville.

MISSISSIPPI

Brooksie J. Holt, Duncan.

James W. Lucas, Moorhead.

Buren Broadus, Wiggins.

MISSOURI

Leslie B. Kincaid, Braymer.

Max Clodfelter, Dexter.

Rolla S. Cozean, Farmington.

Louis N. Bowman, King City.

Charles E. Sears, Macon.

Leonard D. Dyer, Rushville.

William B. Maus, Schell City.

Clarence F. Bruton, Sikeston.

Emmett S. Stewart, Sturgeon.

NEW JERSEY

William H. Cottrell, Princeton.

Jane L. Garland, Sea Bright.

TEXAS

Albert A. Allison, Corsicana.

Carl W. Amberg, Lagrange.

William H. Lyle, Sudan.

Margaret E. Lasseter, Westbrook.

HOUSE OF REPRESENTATIVES

MONDAY, MARCH 19, 1934

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D.D., offered the following prayer:

Teach us how to live, our blessed Heavenly Father. Today is our own; we thank Thee for its providence. O Spirit divine, plead with us that we may have sweet and understanding minds. With clear seeing and straight thinking, let us fulfill the obligations of our great calling. May our thoughts respond to Thy thoughts—harness our purpose with

Thy purpose and key our desires to Thy holy will. Impress us that a benevolent heart is more rewarding than self-interest and allow not dreary selfishness to be the prison of our souls. Almighty God, lead us just now to consecrate ourselves at the altar of our country. O clothe us with the spirit of dedication that crowned and made memorable our forefathers in the establishment of the cause of good and righteous government in a new land and in a new world. In the name of the world's Savior. Amen.

The Journal of the proceedings of Saturday, March 17, was read and approved.

THE COTTON BILL

The SPEAKER. Under the special order of the House agreed to on last Saturday, the unfinished business is the bill H.R. 8402, to place the cotton industry on a sound commercial basis, to prevent unfair competition and practices in putting cotton into the channels of interstate and foreign commerce, to provide funds for paying additional benefits under the Agricultural Adjustment Act, and for other purposes.

Is a separate vote demanded on any amendment? [After a pause.] If not, the Chair will put them in gross.

The amendments were agreed to.

The bill was ordered to be engrossed, read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. SNELL. Mr. Speaker, on the final passage of the bill I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 251, nays 115, answered "present" 2, not voting 64, as follows:

[Roll No. 109]

YEAS—251

Adams	Darden	Jeffers	Parker
Allgood	Dear	Jenckes, Ind.	Parks
Arens	Deen	Johnson, Minn.	Parsons
Arnold	Delaney	Johnson, Okla.	Patman
Ayers, Mont.	DeRouen	Johnson, Tex.	Peterson
Ayres, Kans.	Dickinson	Johnson, W. Va.	Pierce
Bailey	Dies	Jones	Polk
Bankhead	Dingell	Kee	Prall
Beam	Disney	Keller	Ramsay
Beiter	Dobbins	Kelly, Ill.	Ramspeck
Berlin	Dockweiler	Kenney	Randolph
Black	Douglass	Kerr	Rayburn
Blanton	Doxey	Kloeb	Reilly
Bloom	Drewry	Kniffin	Richards
Boehne	Driver	Kocalkowski	Robertson
Boileau	Duncan, Mo.	Kopplemann	Robinson
Boylan	Dunn	Kramer	Rogers, N.H.
Brown, Ga.	Durgan, Ind.	Kvale	Rogers, Okla.
Brown, Ky.	Eagle	Lambeth	Romjue
Brown, Mich.	Edmiston	Lanzetta	Ruffin
Browning	Ellenbogen	Larrabee	Sadowski
Brunner	Ellzey, Miss.	Lea, Calif.	Sandlin
Buchanan	Faddis	Lee, Mo.	Schaefer
Bulwinkle	Farley	Lewis, Colo.	Schuetz
Burch	Fernandez	Lindsay	Schulte
Burke, Calif.	Fiesinger	Lloyd	Scrugham
Byrns	Fitzpatrick	Lozier	Sears
Cady	Fletcher	Ludlow	Secrest
Caldwell	Ford	Lundeen	Shallenberger
Cannon, Mo.	Frear	McCarthy	Shoemaker
Carden, Ky.	Fuller	McClintic	Sinclair
Carmichael	Fulmer	McCormack	Sirovich
Carpenter, Nebr.	Gambrill	McDuffie	Sisson
Cartwright	Gasque	McFarlane	Smith, Va.
Cary	Gavagan	McGrath	Smith, Wash.
Castellow	Gilchrist	McMillan	Snyder
Celler	Gillespie	McReynolds	Somers, N.Y.
Chapman	Glover	McSwain	Spence
Chavez	Granfield	Maloney, Conn.	Steagall
Christianson	Greenway	Maloney, La.	Strong, Tex.
Church	Greenwood	Marland	Stubbs
Clark, N.C.	Gregory	Martin, Colo.	Studley
Coffin	Griswold	Martin, Oreg.	Sumners, Tex.
Colden	Haines	May	Sutphin
Cole	Hancock, N.C.	Mead	Swank
Collins, Miss.	Harlan	Meeks	Sweeney
Colmer	Hastings	Miller	Tarver
Condon	Healey	Milligan	Taylor, Colo.
Connery	Henney	Monaghan, Mont.	Terry, Ark.
Cooper, Tenn.	Hill, Ala.	Montet	Thom
Cox	Hill, Knute	Murdock	Thomason
Cravens	Hill, Samuel B.	Musselwhite	Thompson, Ill.
Crosby	Hoeppel	O'Connor	Thompson, Tex.
Cross, Tex.	Holdale	O'Malley	Thurston
Crosser, Ohio	Howard	Oliver, Ala.	Truax
Crump	Hughes	Oliver, N.Y.	Umstead
Culkin	Imhoff	Owen	Utterback
Cummings	Jacobsen	Palmsano	Vinson, Ga.

Wallgren
Warren
Weaver
Weldeman
Werner

West, Ohio
West, Tex.
White
Whittington
Wilcox

Willford
Wilson
Withrow
Wood, Ga.
Wood, Mo.

Woodrum
Young
Zioncheck
The Speaker

NAYS—115

Andrew, Mass.
Andrews, N.Y.
Bacharach
Bacon
Bakewell
Beck
Beedy
Biermann
Blanchard
Bland
Bolton
Britten
Buck
Burke, Nebr.
Burnham
Busby
Carpenter, Kans.
Carter, Calif.
Carter, Wyo.
Chase
Clarke, N.Y.
Cochran, Mo.
Cochran, Pa.
Connolly
Corning
Darrow
De Priest
Dirksen
Dondero

Doutrich
Dowell
Elcher
Eltsch, Calif.
Englebright
Evans
Fish
Foss
Gifford
Gillette
Goodwin
Goss
Griffin
Hancock, N.Y.
Harter
Hartley
Hess
Higgins
Holmes
Hope
Huddleston
James
Jenkins, Ohio
Kahn
Kelly, Pa.
Klinzer
Knutson
Kurtz
Lambertson

Lamneck
Lehlbach
Lesinski
Luce
McFadden
McGugin
McLean
McLeod
Mapes
Marshall
Martin, Mass.
Merritt
Millard
Mitchell
Moran
Morehead
Mott
Nesbit
Peavey
Pettengill
Peyser
Plumley
Powers
Rankin
Ransley
Reece
Reed, N.Y.
Rich
Richardson

Rogers, Mass.
Sanders
Seger
Simpson
Snell
Stalker
Stokes
Strong, Pa.
Swick
Taber
Taylor, Tenn.
Terrell, Tex.
Thomas
Tinkham
Tobey
Traeger
Turner
Turpin
Wadsworth
Walter
Wearin
Welch
Whitley
Wigglesworth
Wolcott
Wolfenden
Wolverton
Woodruff

ANSWERED "PRESENT"—2

Doughton Gray

NOT VOTING—64

Abernethy
Adair
Allen
Auf der Heide
Boland
Brennan
Brooks
Brumm
Buckbee
Cannon, Wis.
Carley, N.Y.
Cavicchia
Claiborne
Collins, Calif.
Cooper, Ohio
Crowe

Crowther
Cullen
Dickstein
Ditter
Duffey
Eaton
Edmonds
Fitzgibbons
Flannagan
Focht
Foulkes
Frey
Goldsborough
Green
Guyer
Hamilton

Hart
Hildebrandt
Hollister
Kennedy, Md.
Kennedy, N.Y.
Kleberg
Lanham
Lehr
Lemke
Lewis, Md.
McKeown
Mansfield
Montague
Moynihan, Ill.
Muldowney
Norton

O'Brien
O'Connell
Perkins
Pou
Reid, Ill.
Rudd
Sabath
Shannon
Smith, W.Va.
Sullivan
Taylor, S.C.
Treadway
Underwood
Vinson, Ky.
Waldron
Williams

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Doughton (for) with Mr. Treadway (against).
Mr. Taylor of South Carolina (for) with Mr. Eaton (against).
Mr. Cullen (for) with Mr. O'Connell (against).
Mr. McKeown (for) with Mr. Guyer (against).
Mr. Pou (for) with Mr. Claiborne (against).
Mr. Cannon of Wisconsin (for) with Mr. Perkins (against).
Mr. Lehr (for) with Mr. Brumm (against).
Mr. Rudd (for) with Mr. Crowther (against).
Mr. Sullivan (for) with Mr. Hollister (against).
Mr. Carley of New York (for) with Mr. Focht (against).
Mr. Dickstein (for) with Mr. Cavicchia (against).
Mr. Auf der Heide (for) with Mr. Ditter (against).

General pairs:

Mr. Lanham with Mr. Buckbee.
Mr. Abernethy with Mr. Cooper of Ohio.
Mr. Kennedy of New York with Mr. Muldowney.
Mr. Sabath with Mr. Lemke.
Mrs. Norton with Mr. Edmonds.
Mr. Montague with Mr. Allen.
Mr. Kleberg with Mr. Moynihan of Illinois.
Mr. Flannagan with Mr. Waldron.
Mr. Lewis of Maryland with Mr. Reid of Illinois.
Mr. Mansfield with Mr. Collins of California.
Mr. Vinson of Kentucky with Mr. Adair.
Mr. Underwood with Mr. Bolland.
Mr. Shannon with Mr. Duffey.
Mr. Williams with Mr. Frey.
Mr. Hart with Mr. Fitzgibbons.
Mr. O'Brien with Mr. Brennan.
Mr. Smith of West Virginia with Mr. Hildebrandt.
Mr. Brooks with Mr. Foulkes.
Mr. Goldsborough with Mr. Hamilton.
Mr. Kennedy of Maryland with Mr. Green.

Mr. BOEHNE. Mr. Speaker, I change my vote from "nay" to "yea."

The result of the vote was announced as above recorded.

On motion of Mr. Jones, a motion to reconsider the vote by which the bill was passed was laid on the table.

AGRICULTURAL ADJUSTMENT ACT

Mr. JONES. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 7478) to amend the Agricultural Adjustment Act so as to include cattle as a basic agricultural commodity, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

Mr. SNELL. Mr. Speaker, reserving the right to object, if I understand this bill correctly, this is the bill that has the La Follette amendment attached to it to provide a certain amount for the purchase of diseased dairy cattle, and so forth, the amount being \$150,000,000.

Mr. JONES. The Senate put in everything except the kitchen stove.

Mr. SNELL. May I say in all seriousness to the gentleman, this amendment, as I understand it, is more important than any measure that we have had before us in recent times affecting the dairy interests of the country. It is the only direct aid, as far as I can see, that would come at once to this industry, and as far as I am concerned, and as far as others who are very deeply interested in the dairy situation are concerned, we feel that the amendment should come back to the House and be agreed to. We should at least give the House a chance to express its opinion before the House conferees insist on the Senate withdrawing the amendment. If this goes to conference I would ask the gentleman to agree that before any such thing happened he would bring it back to the House and give us an opportunity to express ourselves on such an important amendment.

Mr. JONES. I may state to the gentleman, as I have stated to several others, that the purposes outlined in the La Follette amendment are in the main the features that were intended to be used under the declared purposes of the bill as it passed the House. There was a committee of livestock men representing both the dairy- and beef-cattle people of the entire country who met here, and the purposes named in the La Follette amendment were outlined as a part of the program that would be adopted if the House bill passed. Of course I am not authorized to speak for the conferees, but I think some good purposes are outlined in the amendment, and they are specified now rather than stated generally as heretofore.

Mr. SNELL. That is the main point. Furthermore, the question of a processing tax is not involved in this amendment.

Mr. JONES. I think at least part of the funds should be used for the purposes outlined. I do not know whether we will be able to use as much money as here involved, but I may state to the gentleman that personally I believe a part of the funds should be devoted to these specific purposes.

Mr. SNELL. The original bill is very general in its purposes. This is a definite, specific appropriation for a main specified project, and that project is the thing in which we are deeply interested.

Mr. JONES. The original bill provided that at least 40 percent should be used for dairy cattle.

Mr. SNELL. Yes; but it might be used in a general way and not for the specific purposes mentioned in the La Follette amendment.

Mr. JONES. With all the various matters outlined in the bill, the gentleman knows we cannot have direct and positive commitments; but I do not think the gentleman and I are far apart in our opinion as to what should be done or what could be accomplished. I am in thorough sympathy with reserving a part of what we may be able to hold in the bill for this purpose, but I do not know whether we will be able to hold as much as this would involve in the bill and secure its approval.

Mr. HOPE. Will the gentleman yield?

Mr. JONES. I yield.

Mr. HOPE. It seems to me one very important element in the La Follette amendment is the fact that it is specifically provided that the funds which it authorizes to be appropriated shall not be raised through a processing tax. I think it is the thought and the purpose of those interested in the

dairy industry that a processing tax would be a very unfortunate thing to impose on that industry at this time.

Mr. JONES. The gentleman was present at the hearing and knows what was the declared purpose and that any processing fee will probably be deferred a short time and then put on in a small way until conditions get better, and the funds authorized would be made immediately available for the program. The gentleman will be on the conference committee, and I think, under the circumstances, we will ask that five Members be in this conference, including the gentleman from Kansas [Mr. HOPE] and the gentleman from Pennsylvania [Mr. KINZER]. I think we will be able to work out a very satisfactory agreement and one that none of you gentlemen would object to.

Mr. SNELL. That is not quite satisfactory. I want the bill to go to conference, but I want a definite understanding that the La Follette amendment is coming back to the House, or some part of it. The gentleman from Kansas [Mr. HOPE] has raised the matter of the processing tax and that is very important to our people.

Mr. JONES. I will state to the gentleman that, personally, I am in favor of at least having a part of whatever fund may be appropriated set apart in this fashion. I can only speak for myself, but I think the men concerned are reasonable, and I do not think any of us are very far apart in our wishes in the premises.

Mr. SNELL. That is satisfactory so far as it goes, but I do not want something to happen that will cause this to slip away from us.

Mr. JONES. The gentleman knows that this is the same conference that has considered a number of bills, and I do not think he feels we are going to try to put anything over on the House.

Mr. SNELL. I do not mean entirely that, but this is so important to the dairy industry that I would want an understanding that at least part of it is coming back to the House to be definitely acted upon, because the question of a processing tax is involved and that is a very important matter with this industry.

Mr. JONES. I cannot assure the gentleman what the conferees will do. I have said that, personally, I favor doing just what the gentleman has suggested, insofar as it is practical to do so, to wit, setting part of it aside for the specific purposes mentioned. I am in favor of that, personally, and that is as far as I can go. I cannot speak for the other conferees.

Mr. BRITTEN. Will the gentleman yield?

Mr. JONES. Yes.

Mr. BRITTEN. I would suggest to the gentleman that, so far as I am concerned, the minority leader is not talking for the Republicans on this side of the aisle. I do not see any reason why the dairy farmers should be made an outright gift of \$100,000,000 or \$150,000,000. Why should they not be cared for out of a processing tax like the tax imposed on all other farm products?

Mr. JONES. I think if the gentleman from Illinois will read the amendment he will find that it is a provision for eliminating diseased cattle, in which I think everybody is interested, and also distributing a certain amount for relief purposes.

Mr. BRITTEN. What I want to convey to the House is the fact that because the distinguished minority leader over here, with whom I am always in accord, has the dairies in his district, he is very anxious about this particular bill, but there are other Republicans on the floor of the House who are just as anxious to see justice done the National Treasury.

Mr. JONES. The gentleman's discussion has shown the impossibility of making a definite promise on any of these things, and I hope the gentleman will not object to the bill going to conference.

Mr. BOILEAU. Will the gentleman yield?

Mr. JONES. I yield.

Mr. BOILEAU. The gentleman has stated that he is in favor of retaining the provisions of the La Follette amend-

ment that would make something available for the eradication of tubercular and other disease-infected cattle.

Mr. JONES. Part of the fund.

Mr. BOILEAU. The bill we passed originally would make those funds available for that purpose if the Department of Agriculture wanted to use them in that way.

Mr. JONES. Yes; absolutely.

Mr. BOILEAU. So the whole sum and substance of it is that the La Follette amendment actually increases the appropriation or the amount that would be made available for this purpose.

Mr. JONES. Yes; it not only increases it, but makes it certain that some of the funds will be used for those specific purposes. It might be that if the cattlemen and the dairymen did not insist, part of the \$200,000,000 would not be used.

Mr. BOILEAU. I appreciate that, but it seems to me that in order to carry out a program of that magnitude a substantially larger amount than that appropriated would be required.

Mr. JONES. I am not in position to assure the gentleman how much would be used, but I can assure the gentleman that, personally, whatever fund is allotted, I should be pleased to have part of it, at least, earmarked for that purpose.

Mr. BOILEAU. Can the gentleman also assure us that he will make an effort to have a larger amount appropriated than the amount in the bill as passed by the House?

Mr. JONES. I would rather the gentleman did not press that.

Mr. BOILEAU. I hope the gentleman will make that effort.

Mr. JONES. I am pleased to have the gentleman's thought in the matter.

Mr. McFADDEN. Will the gentleman yield?

Mr. JONES. I yield.

Mr. McFADDEN. I infer the gentleman is of the opinion that this distribution should be made by the Secretary of Agriculture?

Mr. JONES. I do not think that is particularly important. They call in the various groups with respect to the part that affects them, and the Secretary has stated he would call in these groups and let them help work out the program. I do not think they will have any trouble about that.

Mr. McFADDEN. What I am fearful of is that the conference will so mix up this question that the House will not have an opportunity to express itself on these particular matters.

Mr. JONES. We will try to be fair with the House, and I hope the gentleman will not insist on any objection. We must go to conference to get anything, and we have in the offering a program that will really do something for the dairy- and beef-cattle industries and we all know that they have been in extreme need of stabilization. At the same time we can do something of advantage to the public by using some of the funds, as has been outlined, to much better advantage than some other relief funds have been used.

Mr. McFADDEN. Has the gentleman in mind the same method of distribution that was considered in the past—a 60-40 division?

Mr. JONES. No. That was simply a limitation. It must be as much as 40 percent for one or the other.

Mr. McFADDEN. Are these additional funds to be distributed on the same basis?

Mr. JONES. I do not believe there is such a limitation.

Mr. SNELL. It is entirely different.

Mr. JONES. This is a dairy proposition, and it may be necessary to make some readjustment.

Mr. BOILEAU. Is it not a fact that if the money were to be spent in accordance with the La Follette amendment that both the dairy and cattle money spent in that way would help both industries?

Mr. JONES. I am rather inclined to think that is correct. However, I would rather not undertake to construe the amendment at this time.

Mr. SNELL. Mr. Speaker, considering the assurances I have received from the chairman of the committee, I think the dairy interests will receive fair consideration, and I withdraw the reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. JONES, FULMER, DOXEY, HOPE, and KINZER.

Mr. HOEPEL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HOEPEL. A morning paper publishes the Democratic black list. I should like to know if they are going to publish it in the RECORD now or after election.

The SPEAKER. That is not a parliamentary inquiry.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 3908. An act for the relief of Joanna A. Sheehan.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 7966) entitled "An act to authorize the Postmaster General to accept and to use landing fields, men, and material of the War Department for carrying the mails by air, and for other purposes", disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. McKellar, Mr. Hayden, and Mr. Schall to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 8134) entitled "An act making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1935, and for other purposes", disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Russell, Mr. Hayden, Mr. Smith, Mr. Keyes, and Mr. Nye to be the conferees on the part of the Senate.

THE PHILIPPINE ISLANDS

Mr. McDUFFIE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 8573) to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes.

The SPEAKER. The Clerk will report the bill.

Mr. McDUFFIE. Mr. Speaker, I ask unanimous consent that the reading of the bill be dispensed with.

There was no objection.

The bill follows:

H.R. 8573

A bill to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes

Be it enacted, etc.:

CONVENTION TO FRAME CONSTITUTION FOR PHILIPPINE ISLANDS

SECTION 1. The Philippine Legislature is hereby authorized to provide for the election of delegates to a constitutional convention, which shall meet in the hall of the house of representatives in the capital of the Philippine Islands, at such time as the Philippine Legislature may fix, but not later than October 1, 1934, to formulate and draft a constitution for the government of the Commonwealth of the Philippine Islands, subject to the conditions and qualifications prescribed in this act, which shall exercise jurisdiction over all the territory ceded to the United States by the treaty of peace concluded between the United States and Spain on the 10th day of December 1898, the boundaries of which are set forth in article III of said treaty, together with those islands embraced in the treaty between Spain and the United States concluded at Washington on the 7th day of November 1900. The Philippine Legislature shall provide for the necessary expenses of such convention.

CHARACTER OF CONSTITUTION—MANDATORY PROVISIONS

Sec. 2. (a) The constitution formulated and drafted shall be republican in form, shall contain a bill of rights, and shall, either as a part thereof or in an ordinance appended thereto, contain provisions to the effect that, pending the final and complete withdrawal of the sovereignty of the United States over the Philippine Islands—

(1) All citizens of the Philippine Islands shall owe allegiance to the United States.

(2) Every officer of the government of the Commonwealth of the Philippine Islands shall, before entering upon the discharge of his duties, take and subscribe an oath of office, declaring, among other things, that he recognizes and accepts the supreme authority of and will maintain true faith and allegiance to the United States.

(3) Absolute toleration of religious sentiment shall be secured, and no inhabitant or religious organization shall be molested in person or property on account of religious belief or mode of worship.

(4) Property owned by the United States, cemeteries, churches, and parsonages or convents appurtenant thereto, and all lands, buildings, and improvements used exclusively for religious, charitable, or educational purposes shall be exempt from taxation.

(5) Trade relations between the Philippine Islands and the United States shall be upon the basis prescribed in section 6.

(6) The public debt of the Philippine Islands and its subordinate branches shall not exceed limits now or hereafter fixed by the Congress of the United States; and no loans shall be contracted in foreign countries without the approval of the President of the United States.

(7) The debts, liabilities, and obligations of the present Philippine government, its Provinces, municipalities, and instrumentalities, valid and subsisting at the time of the adoption of the constitution, shall be assumed and paid by the new government.

(8) Provision shall be made for the establishment and maintenance of an adequate system of public schools, primarily conducted in the English language.

(9) Acts affecting currency, coinage, imports, exports, and immigration shall not become law until approved by the President of the United States.

(10) Foreign affairs shall be under the direct supervision and control of the United States.

(11) All acts passed by the Legislature of the Commonwealth of the Philippine Islands shall be reported to the Congress of the United States.

(12) The Philippine Islands recognizes the right of the United States to expropriate property for public uses, to maintain military and other reservations and armed forces in the Philippines, and, upon order of the President, to call into the service of such armed forces all military forces organized by the Philippine government.

(13) The decisions of the courts of the Commonwealth of the Philippine Islands shall be subject to review by the Supreme Court of the United States as provided in paragraph (6) of section 7.

(14) The United States may, by Presidential proclamation, exercise the right to intervene for the preservation of the government of the Commonwealth of the Philippine Islands and for the maintenance of the government as provided in the constitution thereof, and for the protection of life, property, and individual liberty, and for the discharge of government obligations under and in accordance with the provisions of the constitution.

(15) The authority of the United States High Commissioner to the government of the Commonwealth of the Philippine Islands, as provided in this act, shall be recognized.

(16) Citizens and corporations of the United States shall enjoy in the Commonwealth of the Philippine Islands all the civil rights of the citizens and corporations, respectively, thereof.

(b) The constitution shall also contain the following provisions, effective as of the date of the proclamation of the President recognizing the independence of the Philippine Islands, as hereinafter provided:

(1) That the property rights of the United States and the Philippine Islands shall be promptly adjusted and settled, and that all existing property rights of citizens or corporations of the United States shall be acknowledged, respected, and safeguarded to the same extent as property rights of citizens of the Philippine Islands.

(2) That the officials elected and serving under the constitution adopted pursuant to the provisions of this act shall be constitutional officers of the free and independent government of the Philippine Islands and qualified to function in all respects as if elected directly under such government, and shall serve their full terms of office as prescribed in the constitution.

(3) That the debts and liabilities of the Philippine Islands, its Provinces, cities, municipalities, and instrumentalities, which shall be valid and subsisting at the time of the final and complete withdrawal of the sovereignty of the United States, shall be assumed by the free and independent government of the Philippine Islands; and that where bonds have been issued under authority of an act of Congress of the United States by the Philippine Islands, or any Province, city, or municipality therein, the Philippine government will make adequate provision for the necessary funds for the payment of interest and principal, and such obligations shall be a first lien on the taxes collected in the Philippine Islands.

(4) That the government of the Philippine Islands, on becoming independent of the United States, will assume all continuing obligations assumed by the United States under the treaty of peace with Spain ceding said Philippine Islands to the United States.

(5) That by way of further assurance the government of the Philippine Islands will embody the foregoing provisions (except par. (2)) in a treaty with the United States.

SUBMISSION OF CONSTITUTION TO THE PRESIDENT OF THE UNITED STATES

Sec. 3. Upon the drafting and approval of the constitution by the constitutional convention in the Philippine Islands, the constitution shall be submitted within 2 years after the enactment of this act to the President of the United States, who shall deter-

mine whether or not it conforms with the provisions of this act. If the President finds that the proposed constitution conforms substantially with the provisions of this act, he shall so certify to the Governor General of the Philippine Islands, who shall so advise the constitutional convention. If the President finds that the constitution does not conform with the provisions of this act, he shall so advise the Governor General of the Philippine Islands, stating wherein in his judgment the constitution does not so conform and submitting provisions which will in his judgment make the constitution so conform. The Governor General shall in turn submit such message to the constitutional convention for further action by them pursuant to the same procedure hereinbefore defined, until the President and the constitutional convention are in agreement.

SUBMISSION OF CONSTITUTION TO FILIPINO PEOPLE

SEC. 4. After the President of the United States has certified that the constitution conforms with the provisions of this act, it shall be submitted to the people of the Philippine Islands for their ratification or rejection at an election to be held within 4 months after the date of such certification, on a date to be fixed by the Philippine Legislature, at which election the qualified voters of the Philippine Islands shall have an opportunity to vote directly for or against the proposed constitution and ordinances appended thereto. Such election shall be held in such manner as may be prescribed by the Philippine Legislature, to which the return of the election shall be made. The Philippine Legislature shall by law provide for the canvassing of the return and shall certify the result to the Governor General of the Philippine Islands, together with a statement of the votes cast and a copy of said constitution and ordinances. If a majority of the votes cast shall be for the constitution, such vote shall be deemed an expression of the will of the people of the Philippine Islands in favor of Philippine independence, and the Governor General shall, within 30 days after receipt of the certification from the Philippine Legislature, issue a proclamation for the election of officers of the government of the Commonwealth of the Philippine Islands provided for in the constitution. The election shall take place not earlier than 3 months nor later than 6 months after the proclamation by the Governor General ordering such election. When the election of the officers provided for under the constitution has been held and the results determined, the Governor General of the Philippine Islands shall certify the results of the election to the President of the United States, who shall thereupon issue a proclamation announcing the results of the election, and upon the issuance of such proclamation by the President the existing Philippine government shall terminate and the new government shall enter upon its rights, privileges, powers, and duties, as provided under the constitution. The present government of the Philippine Islands shall provide for the orderly transfer of the functions of government.

If a majority of the votes cast are against the constitution, the existing government of the Philippine Islands shall continue without regard to the provisions of this act.

TRANSFER OF PROPERTY AND RIGHTS TO PHILIPPINE COMMONWEALTH

SEC. 5. All the property and rights which may have been acquired in the Philippine Islands by the United States under the treaties mentioned in the first section of this act, except such land or other property as has heretofore been designated by the President of the United States for military and other reservations of the Government of the United States, and except such land or other property or rights or interests therein as may have been sold or otherwise disposed of in accordance with law, are hereby granted to the government of the Commonwealth of the Philippine Islands when constituted.

RELATIONS WITH THE UNITED STATES PENDING COMPLETE INDEPENDENCE

SEC. 6. After the date of the inauguration of the government of the Commonwealth of the Philippine Islands trade relations between the United States and the Philippine Islands shall be as now provided by law, subject to the following exceptions:

(a) There shall be levied, collected, and paid on all refined sugars in excess of 50,000 long tons, and on unrefined sugars in excess of 800,000 long tons, coming into the United States from the Philippine Islands in any calendar year, the same rates of duty which are required by the laws of the United States to be levied, collected, and paid upon like articles imported from foreign countries.

(b) There shall be levied, collected, and paid on all coconut oil coming into the United States from the Philippine Islands in any calendar year in excess of 200,000 long tons, the same rates of duty which are required by the laws of the United States to be levied, collected, and paid upon like articles imported from foreign countries.

(c) There shall be levied, collected, and paid on all yarn, twine, cord, cordage, rope, and cable, tarred or untarred, wholly or in chief value of manilla (abaca) or other hard fibers, coming into the United States from the Philippine Islands in any calendar year in excess of a collective total of 3,000,000 pounds of all such articles hereinbefore enumerated, the same rates of duty which are required by the laws of the United States to be levied, collected, and paid upon like articles imported from foreign countries.

(d) In the event that in any year the limit in the case of any article which may be exported to the United States free of duty shall be reached by the Philippine Islands, the amount or quantity of such articles produced or manufactured in the Philippine Islands thereafter that may be so exported to the United States free of duty shall be allocated, under export permits issued by

the government of the Commonwealth of the Philippine Islands, to the producers or manufacturers of such articles proportionately on the basis of their exportation to the United States in the preceding year; except that in the case of unrefined sugar the amount thereof to be exported annually to the United States free of duty shall be allocated to the sugar-producing mills of the islands proportionately on the basis of their average annual production for the calendar years 1931, 1932, and 1933, and the amount of sugar from each mill which may be so exported shall be allocated in each year between the mill and the planters on the basis of the proportion of sugar to which the mill and the planters are respectively entitled. The government of the Philippine Islands is authorized to adopt the necessary laws and regulations for putting into effect the allocation hereinbefore provided.

(e) The government of the Commonwealth of the Philippine Islands shall impose and collect an export tax on all articles that may be exported to the United States from the Philippine Islands free of duty under the provisions of existing law as modified by the foregoing provisions of this section, including the articles enumerated in subdivisions (a), (b), and (c), within the limitations therein specified, as follows:

(1) During the sixth year after the inauguration of the new government the export tax shall be 5 percent of the rates of duty which are required by the laws of the United States to be levied, collected, and paid on like articles imported from foreign countries;

(2) During the seventh year after the inauguration of the new government the export tax shall be 10 percent of the rates of duty which are required by the laws of the United States to be levied, collected, and paid on like articles imported from foreign countries;

(3) During the eighth year after the inauguration of the new government the export tax shall be 15 percent of the rates of duty which are required by the laws of the United States to be levied, collected, and paid on like articles imported from foreign countries;

(4) During the ninth year after the inauguration of the new government the export tax shall be 20 percent of the rates of duty which are required by the laws of the United States to be levied, collected, and paid on like articles imported from foreign countries;

(5) After the expiration of the ninth year after the inauguration of the new government the export tax shall be 25 percent of the rates of duty which are required by the laws of the United States to be levied, collected, and paid on like articles imported from foreign countries.

The government of the Commonwealth of the Philippine Islands shall place all funds received from such export taxes in a sinking fund, and such funds shall, in addition to other moneys available for that purpose, be applied solely to the payment of the principal and interest on the bonded indebtedness of the Philippine Islands, its Provinces, municipalities, and instrumentalities, until such indebtedness has been fully discharged.

When used in this section in a geographical sense, the term "United States" includes all Territories and possessions of the United States, except the Philippine Islands, the Virgin Islands, American Samoa, and the island of Guam.

SEC. 7. Until the final and complete withdrawal of American sovereignty over the Philippine Islands—

(1) Every duly adopted amendment to the constitution of the government of the Commonwealth of the Philippine Islands shall be submitted to the President of the United States for approval. If the President approves the amendment or if the President fails to disapprove such amendment within 6 months from the time of its submission, the amendment shall take effect as a part of such constitution.

(2) The President of the United States shall have authority to suspend the taking effect of or the operation of any law, contract, or executive order of the government of the Commonwealth of the Philippine Islands, which in his judgment will result in a failure of the government of the Commonwealth of the Philippine Islands to fulfill its contracts, or to meet its bonded indebtedness and interest thereon or to provide for its sinking funds, or which seems likely to impair the reserves for the protection of the currency of the Philippine Islands, or which in his judgment will violate international obligations of the United States.

(3) The chief executive of the Commonwealth of the Philippine Islands shall make an annual report to the President and Congress of the United States of the proceedings and operations of the government of the Commonwealth of the Philippine Islands and shall make such other reports as the President or Congress may request.

(4) The President shall appoint, by and with the advice and consent of the Senate, a United States High Commissioner to the government of the Commonwealth of the Philippine Islands who shall hold office at the pleasure of the President and until his successor is appointed and qualified. He shall be known as the United States High Commissioner of the Philippine Islands. He shall be the representative of the President of the United States in the Philippine Islands and shall be recognized as such by the government of the Commonwealth of the Philippine Islands, by the commanding officers of the military forces of the United States, and by all civil officials of the United States in the Philippine Islands. He shall have access to all records of the government or any subdivision thereof, and shall be furnished by the Chief Executive of the Commonwealth of the Philippine Islands with such information as he shall request.

If the government of the Commonwealth of the Philippine Islands fails to pay any of its bonded or other indebtedness or the interest thereon when due or to fulfill any of its contracts, the United States High Commissioner shall immediately report the facts to the President, who may thereupon direct the High Commissioner to take over the customs offices and administration of the same, administer the same, and apply such part of the revenue received therefrom as may be necessary for the payment of such overdue indebtedness or for the fulfillment of such contracts. The United States High Commissioner shall annually, and at such other times as the President may require, render an official report to the President and Congress of the United States. He shall perform such additional duties and functions as may be delegated to him from time to time by the President under the provisions of this act.

The United States High Commissioner shall receive the same compensation as is now received by the Governor General of the Philippine Islands, and shall have such staff and assistants as the President may deem advisable and as may be appropriated for by Congress, including a financial expert, who shall receive for submission to the High Commissioner a duplicate copy of the reports of the insular auditor. Appeals from decisions of the insular auditor may be taken to the President of the United States. The salaries and expenses of the High Commissioner and his staff and assistants shall be paid by the United States.

The first United States High Commissioner appointed under this act shall take office upon the inauguration of the new government of the Commonwealth of the Philippine Islands.

(5) The government of the Commonwealth of the Philippine Islands shall provide for the selection of a Resident Commissioner to the United States, and shall fix his term of office. He shall be the representative of the government of the Commonwealth of the Philippine Islands and shall be entitled to official recognition as such by all departments upon presentation to the President of credentials signed by the Chief Executive of said government. He shall have a seat in the House of Representatives of the United States, with the right of debate, but without the right of voting. His salary and expenses shall be fixed and paid by the government of the Philippine Islands. Until a Resident Commissioner is selected and qualified under this section, existing law governing the appointment of Resident Commissioners from the Philippine Islands shall continue in effect.

(6) Review by the Supreme Court of the United States of cases from the Philippine Islands shall be as now provided by law; and such review shall also extend to all cases involving the constitution of the Commonwealth of the Philippine Islands.

SEC. 8. (a) Effective upon the acceptance of this act by concurrent resolution of the Philippine Legislature or by a convention called for that purpose, as provided in section 17—

(1) For the purposes of the Immigration Act of 1917, the Immigration Act of 1924 (except sec. 13 (c), this section, and all other laws of the United States relating to the immigration, exclusion, or expulsion of aliens, citizens of the Philippine Islands who are not citizens of the United States shall be considered as if they were aliens. For such purposes the Philippine Islands shall be considered as a separate country and shall have for each fiscal year a quota of 50. This paragraph shall not apply to a person coming or seeking to come to the Territory of Hawaii who does not apply for and secure an immigration or passport visa, but such immigration shall be determined by the Department of the Interior on the basis of the needs of industries in the Territory of Hawaii.

(2) Citizens of the Philippine Islands who are not citizens of the United States shall not be admitted to the continental United States from the Territory of Hawaii (whether entering such Territory before or after the effective date of this section) unless they belong to a class declared to be nonimmigrants by section 3 of the Immigration Act of 1924 or to a class declared to be nonquota immigrants under the provisions of section 4 of such act other than subdivision (c) thereof, or unless they were admitted to such Territory under an immigration visa. The Secretary of Labor shall by regulations provide a method for such exclusion and for the admission of such excepted classes.

(3) Any Foreign Service officer may be assigned to duty in the Philippine Islands, under a commission as a consular officer, for such period as may be necessary and under such regulations as the Secretary of State may prescribe, during which assignment such officer shall be considered as stationed in a foreign country; but his powers and duties shall be confined to the performance of such of the official acts and notarial and other services, which such officer might properly perform in respect of the administration of the immigration laws if assigned to a foreign country as a consular officer, as may be authorized by the Secretary of State.

(4) For the purposes of sections 18 and 20 of the Immigration Act of 1917, as amended, the Philippine Islands shall be considered to be a foreign country.

(b) The provisions of this section are in addition to the provisions of the immigration laws now in force, and shall be enforced as a part of such laws, and all the penal or other provisions of such laws, not inapplicable, shall apply to and be enforced in connection with the provisions of this section. An alien, although admissible under the provisions of this section, shall not be admitted to the United States if he is excluded by any provision of the immigration laws other than this section, and an alien, although admissible under the provisions of the immigration laws other than this section, shall not be admitted to the United States if he is excluded by any provision of this section.

(c) Terms defined in the Immigration Act of 1924 shall, when used in this section, have the meaning assigned to such terms in that act.

SEC. 9. There shall be no obligation on the part of the United States to meet the interest or principal of bonds and other obligations of the government of the Philippine Islands or of the provincial and municipal governments thereof, hereafter issued during the continuance of United States sovereignty in the Philippine Islands: *Provided*, That such bonds and obligations hereafter issued shall not be exempt from taxation in the United States or by authority of the United States.

RECOGNITION OF PHILIPPINE INDEPENDENCE AND WITHDRAWAL OF AMERICAN SOVEREIGNTY

SEC. 10. (a) On the 4th day of July immediately following the expiration of a period of 10 years from the date of the inauguration of the new government under the constitution provided for in this act the President of the United States shall by proclamation withdraw and surrender all right of possession, supervision, jurisdiction, control, or sovereignty then existing and exercised by the United States in and over the territory and people of the Philippine Islands, including all military and other reservations of the Government of the United States in the Philippines (except such naval reservations and fueling stations as are reserved under sec. 5), and, on behalf of the United States, shall recognize the independence of the Philippine Islands as a separate and self-governing nation and acknowledge the authority and control over the same as the government instituted by the people thereof under the constitution then in force.

(b) The President of the United States is hereby authorized and empowered to enter into negotiations with the government of the Philippine Islands, not later than 2 years after his proclamation recognizing the independence of the Philippine Islands, for the adjustment and settlement of all questions relating to naval reservations and fueling stations of the United States in the Philippine Islands, and pending such adjustment and settlement the matter of naval reservations and fueling stations shall remain in its present status.

NEUTRALIZATION OF PHILIPPINE ISLANDS

SEC. 11. The President is requested, at the earliest practicable date, to enter into negotiations with foreign powers with a view to the conclusion of a treaty for the perpetual neutralization of the Philippine Islands, if and when Philippine independence shall have been achieved.

NOTIFICATION TO FOREIGN GOVERNMENTS

SEC. 12. Upon the proclamation and recognition of the independence of the Philippine Islands, the President shall notify the governments with which the United States is in diplomatic correspondence thereof and invite said governments to recognize the independence of the Philippine Islands.

TARIFF DUTIES AFTER INDEPENDENCE

SEC. 13. After the Philippine Islands have become a free and independent nation there shall be levied, collected, and paid upon all articles coming into the United States from the Philippine Islands the rates of duty which are required to be levied, collected, and paid upon like articles imported from other foreign countries: *Provided*, That at least 1 year prior to the date fixed in this act for the independence of the Philippine Islands, there shall be held a conference of representatives of the Government of the United States and the government of the Commonwealth of the Philippine Islands, such representatives to be appointed by the President of the United States and the Chief Executive of the Commonwealth of the Philippine Islands, respectively, for the purpose of formulating recommendations as to future trade relations between the Government of the United States and the independent government of the Philippine Islands, the time, place, and manner of holding such conference to be determined by the President of the United States; but nothing in this proviso shall be construed to modify or affect in any way any provision of this act relating to the procedure leading up to Philippine independence or the date upon which the Philippine Islands shall become independent.

IMMIGRATION AFTER INDEPENDENCE

SEC. 14. Upon the final and complete withdrawal of American sovereignty over the Philippine Islands the immigration laws of the United States (including all the provisions thereof relating to persons ineligible to citizenship) shall apply to persons who were born in the Philippine Islands to the same extent as in the case of other foreign countries.

CERTAIN STATUTES CONTINUED IN FORCE

SEC. 15. Except as in this act otherwise provided, the laws now or hereafter in force in the Philippine Islands shall continue in force in the Commonwealth of the Philippine Islands until altered, amended, or repealed by the Legislature of the Commonwealth of the Philippine Islands or by the Congress of the United States, and all references in such laws to the government or officials of the Philippines or Philippine Islands shall be construed, insofar as applicable, to refer to the government and corresponding officials respectively of the Commonwealth of the Philippine Islands. The government of the Commonwealth of the Philippine Islands shall be deemed successor to the present government of the Philippine Islands and of all the rights and obligations thereof. Except as otherwise provided in this act, all laws or parts of laws relating to the present government of the Philippine Islands and

its administration are hereby repealed as of the date of the inauguration of the government of the Commonwealth of the Philippine Islands.

Sec. 16. If any provision of this act is declared unconstitutional or the applicability thereof to any person or circumstance is held invalid, the validity of the remainder of the act and the applicability of such provisions to other persons and circumstances shall not be affected thereby.

EFFECTIVE DATE

Sec. 17. The foregoing provisions of this act shall not take effect until accepted by concurrent resolution of the Philippine Legislature or by a convention called for the purpose of passing upon that question as may be provided by the Philippine Legislature.

The SPEAKER. Is a second demanded?

Mr. BEEDY. Mr. Speaker, I demand a second.

Mr. McDUFFIE. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection?

There was no objection.

Mr. McDUFFIE. Mr. Speaker, I will detain the House but a few moments. The pending bill involves no partisanship, no politics, and insofar as I know, little if any dissension in the views of Members of the House.

The bill is substantially a reenactment of the Hare-Hawes-Cutting Act.

That act was the result of the work of the Insular Affairs Committee of the Senate, the Committee on Insular Affairs of the House, with the earnest and fine efforts of the Commissioners from the Philippine Islands, the sturdy patriot and able Commissioner GUEVARA, and the brilliant OSIAS, whose fine ability and excellent qualities of statesmanship have endeared him to us all. That bill, I assume, is thoroughly understood and has the approval of this House and the entire country. The outstanding work of former Senator HAWES for Philippine independence will go down in history. The former Chairman of the Committee on Insular Affairs, Mr. HARE, of South Carolina, and Senator CUTTING contributed their statesmanlike and most effective efforts. To these three Americans must go the major credit for Philippine independence. I am not unmindful that the name of Senator PITTMAN will always be associated with those whose assiduous labors have brought about this legislation.

The Hare-Hawes-Cutting Act provided that the legislature of the islands should meet not later than January 17, 1934, to consider the calling of a convention to frame a constitutional form of government for the islands.

The Philippine Legislature, assigning several objections, refused to accept that bill. No further consideration by that legislature can now be had without extension of the time by Congress. Representatives of that school of thought which opposed the bill in the islands, and indeed some of those in the legislative branch of the island government, came to Washington several weeks ago.

A series of conferences followed not only with the President of the United States but also with many of us who are interested in settling the very important question of the independence problem, which has confronted us for many years.

The only change involved under the terms of this bill, or I should say the major change presented in this bill, is that provision in section 10 whereby we agree when independence is accomplished to remove our Army and relinquish the Army reservations. We continue to retain our naval bases and coaling stations, but agree to enter into negotiations with the new independent government to determine the feasibility of further maintenance of our Navy in the islands.

Among those who came to Washington representing that school of thought in the islands, which had opposed the provisions of the Hare-Hawes-Cutting Act, is the former commissioner, indeed one of the first commissioners from the islands to sit in this House, the splendid patriot, the brilliant Emanuel Juezon, now president of the senate of the Philippine Islands, and who honors us with his presence on the floor of the House today. [Applause.] I am glad all major factions in the islands are now apparently ready to urge acceptance of this bill. With Quezon, Quiniro, and

others of their views, joining hands with Roxas, Osmeña, and Osias, there can be no doubt of favorable action and there is glory enough for all.

As the result of conferences with him and others, including advocates of the Hare-Hawes-Cutting Act, we have the assurance that if the Congress reenacts the Hare-Hawes-Cutting Act with the changes I have indicated, it will have the approval of the Filipino people, and the legislature will be called together immediately to give its approval.

Mr. SNELL. Will the gentleman yield?

Mr. McDUFFIE. I yield.

Mr. SNELL. As I understand the gentleman's statement, the main objection to the original legislation was the fact that we maintain an army over there and a naval base.

Mr. McDUFFIE. That was one of several objections.

Mr. SNELL. That was one of the outstanding objections?

Mr. McDUFFIE. That was one of the outstanding objections.

Mr. SNELL. And that has been removed?

Mr. McDUFFIE. That has been removed insofar as keeping our Army in the islands is concerned, and while other objections were assigned, those who opposed the bill are now willing to accept it, and present it to the people and urge them to accept it.

Mr. SNELL. And the gentleman is of opinion that with these exceptions it will be ratified very quickly by the Philippine Legislature?

Mr. McDUFFIE. I have no doubt of it.

Mr. JENKINS of Ohio. Will the gentleman yield?

Mr. McDUFFIE. Yes.

Mr. JENKINS of Ohio. Is the gentleman in position to state the attitude of the Navy and Army with reference to these changes?

Mr. McDUFFIE. I assume that the Bureau of Insular Affairs, which is a part of the Army, is favorable to the change and to this bill with some exceptions. They would like to have a few amendments which may be worked out in the future, but they have raised no material objection, insofar as I know. I have heard no objections to passing this bill from the Army or Navy.

Mr. JENKINS of Ohio. Would it be improper if I were to ask as to whether or not the administration has taken a position with reference to this bill?

Mr. McDUFFIE. The attitude of the administration, of course, is represented in a message to Congress by the President of the United States suggesting the enactment of this bill.

Mr. ENGLEBRIGHT. Mr. Speaker, will the gentleman yield?

Mr. McDUFFIE. Yes.

Mr. ENGLEBRIGHT. What is the status of the naval stations, as worked out under the provisions of this bill, and the fueling stations?

Mr. McDUFFIE. We retain those after independence is an accomplished fact, but we agree to negotiate with the independent government as to the propriety or feasibility of further retention of naval bases. We further promise to urge neutrality for the islands. The gentleman, I am sure, can see the absolute necessity of that.

Mr. WELCH. Mr. Speaker, will the gentleman yield?

Mr. McDUFFIE. In a moment. The House realizes, I am sure, that it has been the fixed policy of this Government since we acquired the islands ultimately to make them free and independent. Every President, from the lamented McKinley down to the present occupant of the White House, has assumed that attitude, and has expressed properly and correctly the attitude of the American people. President Roosevelt very correctly expressed it when he said in his message to us that "we desire to hold no people over whom we have gained sovereignty through war against their will." As a result of that policy and carrying out our responsibility, and, as I take it, discharging the solemn duty of this Government, this bill, setting up the processes under which ultimate independence may be achieved, is again presented, and we believe, as already stated, that it will be accepted in the islands.

There are 14,000,000 Filipino people, as many people as there are in the Republic of Mexico, a greater population than in any of the 18 countries to the south of us on the Western Hemisphere, with the exception of three. The islands comprise an area as large as all of New England and New York combined. These people have made wonderful strides under the American flag. They have an educational system that ranks amongst the best systems in the world. They have 9,063 schools and colleges, 7,000 of which were established since our flag was raised on the islands. They have a million and a quarter students in these colleges; 30 percent of their revenues is expended for education. Eighty percent of them, I am informed, speak our language, which is required to be taught.

Mr. COLDEN. Mr. Speaker, will the gentleman yield?

Mr. McDUFFIE. I yield first to the gentleman from California [Mr. WELCH].

Mr. WELCH. Referring to the inquiry of my colleague from California [Mr. ENGLEBRIGHT], the only change in this bill from the bill enacted last year is the one in reference to the military and naval reservations?

Mr. McDUFFIE. Yes.

Mr. WELCH. That is the only change in the bill?

Mr. McDUFFIE. Yes. I now yield to the gentleman from California [Mr. COLDEN].

Mr. COLDEN. Is it not a fact that only about one third of the children in the Philippine Islands are in school, and that the average term is only about 3 years?

Mr. McDUFFIE. We have no such information before the committee.

Mr. THURSTON. Mr. Speaker, will the gentleman yield?

Mr. McDUFFIE. Yes.

Mr. THURSTON. The chairman of the committee will agree that if this had been initial legislation upon the subject, a number of members of the committee would have insisted on the much shorter term than the provisions in the present bill.

Mr. McDUFFIE. I agree to that. There are some who would like to see independence granted immediately.

Mr. THURSTON. Within a 5-year period.

Mr. McDUFFIE. Yes; and doubtless some selfish interests want to cut those 14,000,000 people adrift immediately, which might result in their seizure by some nation within 24 hours. To pull down our flag and retire immediately, without giving them an opportunity to readjust their economics and without an opportunity to fix their place in the sun, which they are capable of doing, would be an act of moral cowardice upon the part of the American Republic, especially in the light of present conditions in the Far East. The Congress and the American people are not willing to follow such a course.

Mr. MARTIN of Colorado. Mr. Speaker, will the gentleman yield?

Mr. McDUFFIE. Yes.

Mr. MARTIN of Colorado. When the gentleman was interrupted he was making a very splendid statement regarding the achievements of the Filipino people. Would he kindly continue that statement in an extension of his remarks, if he has not the time to do so now?

Mr. McDUFFIE. I should be glad to do so. There are 8,442 public schools in the islands, staffed by 28,519 supervisors, principals, and teachers, all Filipinos except about 300. Included in the educational establishment is the university in Manila which was founded in 1611, 25 years before the foundation of Harvard. Many Filipinos are attending colleges and universities in America and other countries. For the last 15 years the health service has been administered almost wholly by Filipinos. Sanitation became one of the first concerns of the American Government, and the present director of the health bureau is a Filipino, as are nearly all of his 522 medical and 2,083 lay assistants. In 1930 there were 105 hospitals of all types in the islands. One of them was founded in 1596. A civil-service system is used in the legislative, executive, and judicial departments,

and in 1930 there were more than 21,700 civil-service employees, all but 461 were Filipinos. The administration of justice in the islands is a matter of pride to the Filipino people as well as to Americans. There is a supreme court, 28 courts of first instance in 28 districts, and 865 justices of the peace. There are 31 auxiliary judges who assist the district judges.

All the justices of the peace except two are Filipinos. The supreme court until 1913 numbered 9, 5 Americans and 4 Filipinos. Maj. Gen. William C. Rivers, United States Army, retired, who spent many years in the islands, writing recently, had this to say with reference to the capacity of the Filipino people:

I believe the Filipinos will surprise many by their capacity to govern themselves. Great numbers have long had extensive and successful experience in executive, legislative, and judicial positions. I never heard a rumor against the integrity of a Filipino judge in any of the 26 Provinces, though I was working among people some of whose relatives may have suffered imprisonment or worse after trial before a Filipino judge. The record of the Filipino judges in the Supreme Court and in the provincial courts, in the troublesome post-revolution time and under new and strange codes of procedure, with the innumerable questions arising after the long armed conflicts involving three races and in trials where two languages were used, deserves more mention than it has received.

The bonded indebtedness of the Philippine Islands in 1932 and as of today is \$170,000,000, or \$65,000,000, against which there is a sinking fund of \$50,000,000 now deposited in American banks. The present national debt is but 48 percent of the bonded-debt limit fixed by Congress. The Philippine Government is regularly meeting both interest and the required amortization of its bonded indebtedness. Nearly 92 percent of approximately 13,500,000 inhabitants in the islands are Christians, 4 percent are pagans, and 4 percent are Mohammedans, and there is little or no evidence that the Moros have protested against Christian preponderance in the government.

The commerce of the islands amounts in dollars to approximately \$270,000,000 more than 72 percent of which is with the United States. They are our best customers in the purchase of dairy products sold abroad. They wear cotton clothing and purchase much of our cotton. Their national wealth was estimated in 1927 as \$5,905,085,000. Former Congressman Hare stated that—

If independence be bestowed on them, the Filipino people will begin their separate existence with a greater patrimony than was possessed by many of the peoples who recently have joined the ranks of sovereign nations.

The most important provisions of the pending bill are:

First. Formation of a constitution to be submitted to the President.

Second. Limitations on importations from the islands. An export tax after the fifth year to be applied on their bonded indebtedness.

Third. Immigration provisions, fixing quota of 50.

Fourth. Providing office of American High Commissioner and prescribing his duties during the interim government.

Fifth. Withdrawal of American sovereignty July 4 following the 10-year period of the Commonwealth government.

Sixth. Relinquishment of the Army bases, including some 300,000 acres of land, after independence is established.

Seventh. Negotiating between the two Governments with reference to retaining the naval bases and fueling station.

The limitations of the hour will not permit recalling all the romantic history of the Filipino people. Much of this is set out in the hearings and in the report of the committee, which I commend to your reading. They are patriotic, proud, ambitious, and possess much culture. He who denies their capacity to manage their own affairs, in my opinion, is not cognizant of present conditions in the islands, nor does he understand the remarkable progress they have made. This people will become, relatively speaking, the thirtieth nation in the world from the standpoint of natural resources, population, and economic development. I am glad to be a Member of this Congress which is carrying out the solemn pledge of our Nation given from year to year, and fulfilling every responsibility in discharging a great American duty in

a big American way. I yield now to the Commissioner from the Philippine Islands [Mr. GUEVARA].

Mr. GUEVARA. Mr. Speaker, to many of the Members of this House the bill now under consideration presents no new issue. The Seventy-second Congress thoroughly considered a similar bill, and the committees of the Senate and House of Representatives held extensive and exhaustive hearings on the economic, political, social, and international aspects of the Philippine question. There are, therefore, no new arguments either for or against the bill.

The Philippine Legislature, acting in accordance with the provisions of section 17 of Public Act No. 311 (after which the bill now under consideration is patterned), saw fit to decline to accept it, in the sincere conviction that political conditions and circumstances would change in the United States in such a way as to assure the modification of some of the provisions which it believed would imperil the political, social, and economic stability of the islands. The Philippine Legislature was mindful that Act No. 311 was the best obtainable from the Seventy-second Congress. Also, it realized the changes that were forthcoming. The message of the President on March 2 of this year, followed by the report of the Committee on Insular Affairs on the bill now under consideration have crystallized the hopes of the Philippine Legislature.

Credit should be given to the Chairman of the Committee on Insular Affairs, the gentleman from Alabama [Mr. McDUFFIE], in his efforts to find a common ground upon which my own fellow countrymen who held divergent views as to the meaning and effect of some of the provisions of act 311 could meet. Needless to say, Mr. McDUFFIE has been completely successful in his undertaking, and I am sure that confidence and harmony will be restored in the Philippines.

I would be recreant to myself if I did not acknowledge at this moment the valuable services rendered by the Senator from Maryland [Mr. TYDINGS], Chairman of the Committee on Territories and Insular Affairs of the Senate, in making possible the reunion of mind of the Filipinos who supported and opposed Act 311 in their patriotic desires to assure for their mother land a future which will insure happiness and prosperity to their children and their children's children.

Mr. Speaker, I am now in a position where I can say that if the bill now under consideration is passed by the Congress of the United States it will be accepted by the Filipino people. It is my expectation that this House will pass the bill as the Seventy-second Congress did on April 4, 1932.

It is not inopportune to say that I regard the bill now under consideration as the epitome and synthesis of America's aim and purpose in the Philippines. It is the fulfillment of her pledge and the glorious crowning of her humanitarian task.

Mr. CULKIN. Will the gentleman yield?

Mr. GUEVARA. I yield.

Mr. CULKIN. Can the gentleman tell the House whether or not this bill, which is substantially the Hawes-Cutting Act, will meet with the approval of all factions in the Philippine Islands?

Mr. GUEVARA. It will.

Mr. CULKIN. There will be no division this time?

Mr. GUEVARA. No division this time.

Mr. CULKIN. Although there is no real distinction between the Hawes-Cutting Act and this bill?

Mr. GUEVARA. There is no distinction, and in view of the message of the President of the United States, there will be no division.

Mr. CULKIN. And there is peace now between the several groups and factions?

Mr. GUEVARA. Oh, yes; there is no question about it.

Mr. CULKIN. It must be gratifying to the distinguished gentleman to have his views finally concurred in by all his nationals.

Mr. SIROVICH. Will the gentleman yield further?

Mr. GUEVARA. I yield.

Mr. SIROVICH. One of the most eminent, brilliant, and patriotic Filipinos is Commissioner OSIAS. Can the gentleman state whether he is in favor of this bill?

Mr. GUEVARA. Yes; he is in favor of this bill.

Mr. McDUFFIE. Mr. Speaker, the gentleman from Maine [Mr. BEEDY] has stated that he would yield the Commissioner from the Philippines an additional 3 minutes.

Mr. BEEDY. I stated to the gentleman from Alabama that I will be glad to extend that courtesy to the gentleman from the Philippines. I will yield him 5 additional minutes.

Mr. GUEVARA. I thank you.

The arrangement proposed in the bill will place the Filipino people in a position of more responsibility, and it lays not only within their reach but in their own hands the instrumentalities of their salvation. The bill also gives the Filipino people an opportunity to work out their destiny in accordance with their own genius and traditions, and to my mind there is no doubt that in this task they will not only preserve what America has done in the last 34 years but also will develop and love it as the precious heritage of future generations.

The part of the bill which grants the Filipino people the right to formulate and adopt their own constitution is the romantic phase of the American sovereignty in the Philippines. The grant of this fundamental right in itself constitutes an event never heretofore recorded in the history of colonization. It is the consecration of those lofty principles for which the American people have fought in the past. It is the imperishable monument to be erected on the graves of those brave American soldiers who fought and died in the Philippines for their flag, not in the name of conquest but for the sake of justice and liberty. While this humanitarian spirit guides the mind of the American people we can say that the world is safe from tyranny. The small and weak nations can turn their eyes to the United States for relief and inspiration with full confidence that the call to duty will not fail to find response.

The acknowledgment of the right of the Filipino people to formulate and adopt their own constitution is the glorious culmination of American efforts to build a new nation in the Far East. With this grant the Filipino people can face the world and say with pride that America's interests are their interests and her safety their safety.

As to the time fixed in the bill when independence for the Philippines shall be granted, it is within the wisdom and sense of justice of the American people. It is to be reminded that the aims and purposes of the United States in the Philippine Islands were and are to assist the inhabitants therein, firstly, to prepare for self-government, and, secondly, for their independent life. The fulfillment of this task, as announced by the United States, necessarily requires a friendly and sympathetic spirit. Not only do the Filipino people need a reasonable period of economic adjustment like that granted to Spain by the United States in the Treaty of Paris, but American investment in the Philippines, made under the auspices of American sovereignty, should in fairness and justice be given ample time either to liquidate or to continue if the new situation to be created by the bill proves satisfactory and advantageous.

This policy not only will not cause any detriment to the best interests of the United States, but it will, without question, place her in the position to say that she has completed her mission in the Philippines with honor to herself and with justice to the Philippines.

If this policy and philosophy which inspired the formulation of the bill now under consideration is finally adopted by the Congress of the United States, the Filipino people can look to the future with confidence. The United States has helped them to solidify the cultural and political foundation of self-government. This mission would not be complete if that help were not extended also to strengthen the structure upon which the independent government of the Philippines is to be built. The bill covers this aim and purpose. It translates into reality what America announced to the world at the inception of her occupation of the Philippines.

Mr. Speaker, it would be presumptuous for me to say that the cooperation of the Philippines would ever be needed by the United States in her international affairs. However,

I conceive it to be my duty to say that the bill under consideration assures the loyal, friendly, and undying gratitude of the Filipino people to the United States. They will be attached to this Nation by spiritual bonds which are stronger than any political or physical ties, and consequently there is nothing that they possess which they would refuse to offer to the service of the United States.

I wish to say before concluding that on this momentous occasion, when the final solution of our common problem is about to be reached, it is indeed inspiring to see both parties cooperating to make of the bill a document expressing the wishes and longings of both the United States and the Philippine Islands. The unanimous vote of the Committee on Insular Affairs of this House in reporting this bill proves my statement. Therefore, permit me to convey my gratitude and that of the Filipino people. [Applause.]

Mr. BEEDY. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. BACON].

Mr. BACON. Mr. Speaker, this is a reenactment of the Hawes-Cutting Act which passed this House 2 years ago. I opposed it at that time, and I oppose it now. I hope my good friend, the Commissioner from the Philippine Islands, and my other good friend, the president of the Senate of the Philippine Islands, will not take amiss anything that I may say in opposition to this bill, because I have high regard not only for them but for the Filipino people.

I opposed this bill 2 years ago because I honestly and sincerely believe that under the Constitution of the United States the Congress of the United States has no right to turn the Philippine Islands loose without a constitutional amendment. Our title to the Philippine Islands is better than our title to a large part of continental United States, and I do not believe there is anyone here who would agree that we could turn loose Texas, Alaska, Arizona, and New Mexico, or Florida, for example, without a constitutional amendment.

Our title to the Philippine Islands not only came by treaty but also by purchase.

However, I am not going to discuss the constitutional question further. Constitutional lawyers and judges who have examined into this question have agreed that the Congress of the United States has no right to alienate the Philippine Islands without a constitutional amendment. I am simply stating that I have studied this question for many years, and I honestly and sincerely believe that the Congress has not the right to alienate this or any other American territory legally acquired.

Mr. RANKIN. Will the gentleman yield?

Mr. BACON. I only have 5 minutes.

Mr. Speaker, the constitutional inability of the Congress to act is one of the reasons why I oppose this bill and why I did so 2 years ago.

Furthermore, I do not believe this bill is fair to the Philippine people or that it is fair to the high moral purpose that this country of ours has shown toward the Philippine people for the past thirty-odd years. I know they are willing to accept this bill, but I believe honestly in their hearts they are only doing it because it is the best thing that they can get and because of home politics. When this bill passed 2 years ago, those of you who were in the House will recall the persistent efforts of lobbyists who did not like the fact that Philippine sugar was coming in, lobbyists who did not like the fact that coconut oil was coming into this country from the Philippine Islands, and when the bill passed 2 years ago the whole atmosphere on the floor of this House was to get rid of the Philippine Islands. They did not care what became of the Filipinos. I, for one, do care what becomes of them. I believe we have a high moral purpose to carry out, and I, for one, believe that if this bill should be defeated, a much better and more satisfactory arrangement for the future of the Philippine Islands could be worked out if we tackled the problem with a high moral purpose, and without any thought of sugar and coconut oil.

Mr. McDUFFIE. Will the gentleman yield?

Mr. BACON. I yield.

Mr. McDUFFIE. Is the gentleman really in favor of the independence of the Philippine Islands, deep down in his heart?

Mr. BACON. No. I will state frankly that my personal belief, after many years of study of this question, is that eventually a dominion status might be worked out for the Philippine people so that the Philippines might have the same relation to the United States as Canada and Australia have to Great Britain.

I appreciate that my opposition to the bill is futile, but I do want to express my sincere convictions on the subject at this time, and I want to do so because I have visited the Philippine Islands, and I have probably traveled more extensively in the Philippine Islands than any Member of Congress. I have a sincere liking for the Filipino people. I want to be fair to them as well as fair to the United States and to the civilized world. This bill is fair to no one. We are scuttling our entire position in the Far East because of local selfish interests. The Far East today is in a troubled and uncertain state. By passing this bill we are adding to the uncertainties. For the next 8 years we are putting ourselves in the perilous position of having great responsibilities without authority. Continued American authority in the Philippines would make for stability and tranquillity in the entire Far East. Many momentous questions are involved, and yet we are passing this bill with but 40 minutes of debate.

[Here the gavel fell.]

Mr. BEEDY. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. WELCH].

Mr. WELCH. Mr. Speaker, it is not my intention to again take the time of the House to discuss this bill, with which every Member is familiar. A question has been raised, however, with reference to section 8 of the bill, the section concerning immigration.

Mr. JENKINS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. WELCH. I yield.

Mr. JENKINS of Ohio. Is section 8 in the bill now under consideration the same as the immigration section of the bill which was passed last year?

Mr. WELCH. Section 8 of this bill is identically the same as section 8 of the original bill; there is no change whatsoever.

Mr. JENKINS of Ohio. Was any opposition shown to this section by the Philippine people when the matter was being considered?

Mr. WELCH. I have been informed that the representatives of the Philippine people who are here expressed a desire to have this section changed, but they did not press it, and a change was not recommended by the President in his message to Congress.

Mr. JENKINS of Ohio. I have not had time to read this section carefully. As I remember, however, the immigration quota was fixed at 50 pending the final independence of the Filipinos; and after that they would take the same status as other people of that race.

Mr. WELCH. Exactly. Under the interim government they will have a quota of 50 not eligible to citizenship; at the expiration of the interim government, or at the time of complete independence, they will have the same quota as other nations whose nationals are not eligible to citizenship; that is, 100.

Mr. LUNDEEN. Mr. Speaker, will the gentleman yield?

Mr. WELCH. I yield.

Mr. LUNDEEN. Is this satisfactory to the people of California and the west coast?

Mr. WELCH. It is very satisfactory to us. As a matter of fact, the original bill, the Hawes-Cutting bill, and the Hare bill, contained no immigration provision. Section 8 was inserted in the bill at my advocacy during its consideration by the Committee on Insular Affairs, of which I am a member.

I might say in passing that the entire California delegation joined with me in this request to the committee. It was inserted in the bill and was approved by every member

of both the House and Senate committees. There has been no change from the original bill.

Mr. LUNDEEN. Is this provision satisfactory to the American Federation of Labor and other labor groups?

Mr. WELCH. Absolutely so; as a matter of fact, they participated in the preparation of section 8, which was drawn by the legislative counsel of the Senate.

Mr. Speaker, I yield back the balance of my time.

Mr. BEEDY. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. COLDEN].

Mr. COLDEN. Mr. Speaker, about 4 years ago at this time of the year I was approaching the Philippine Islands. As some of my fellow passengers were residents of the islands and were returning from a trip to their native land to their oriental home by adoption, I inquired about the question of Philippine independence. The first time my question was answered I was somewhat surprised and shocked by the abrupt reply of a rugged American who had been a veteran in the Spanish-American War and had participated in the Philippine campaign. His former home was in North Carolina, but now he was a prominent business man of Manila. He replied: "Nobody in the Philippines cares a damn about independence excepting the politicians, who use 'independence' as a popular slogan for reelection. Much of the propaganda you read back home for Philippine independence is financed by the Sugar Trust and sugar interests of New York and Cuba. The sugar clique want to get rid of the islands in order to get more money for their own sugar. It is all a lot of buncombe and hokum."

My American friend was so emphatic and utterly frank—but yet I was not convinced. I discussed the same topic with a refined gentleman of Spanish ancestry who was born on the islands and lived on the Island of Negros. His reply was characteristic of his race, and he replied in soft and polite language, but the meaning was identically the same as given by the American. When I arrived in Manila, I conversed with American newspapermen and business men, and invariably the reply was the same. I conversed with Army and Navy men and American teachers at Baguio, the mountain city, but there seemed to be no difference of opinion among those who are most competent to judge.

During the last "lame duck" session of Congress, beginning in December 1932, I sat on the floor of the House and listened to the debate on the Philippine independence bill, which was then discussed and passed. I was disappointed at the repetition of the arguments relating to sugar and butter and cottonseed oil. Conceding that the commercial aspect is of importance and should be considered, yet there are other factors that deserve careful consideration from the Membership of this House. Before we haul down the American flag and set a helpless people adrift in the face of a neighboring empire that is rampant with imperialism and militarism, we should pause and reflect. A nation that is disregarding its solemn treaties as mere scraps of paper, a nation that today is maintaining a mandate over the islands of the Pacific and flaunting the League of Nations, a nation that has invaded the territory of a peaceful neighbor and is taking advantage of China's chaotic domestic afflictions should not be given a license to override the will of the Filipinos. We cannot at this moment overlook the conditions that exist in the affairs and policies of nations whose good will, cooperation, and international integrity are necessary to preserve the independence and the Territorial boundaries of the people we profess to protect.

So far as my brief observation goes, the opinion of many substantial citizens of the Philippine Islands is that when the American flag is hauled down, the peaceful penetration of the islands by Japan will begin. Cut off from American markets and American ships driven from oriental shores, and Japanese business men taking up where America leaves off, the Philippines will fall into the lap of Japan. The question involved at this time is more than the competition of sugar and butter and cottonseed oil, but reaches into the relations of this country with the nations of the Orient. It is our duty as Members of Congress to weigh this subject from the

national standpoint and the international welfare of the other nations concerned.

What facilities have the islands for national defense when the American flag is hauled down, when they are turned adrift and must rely upon themselves? Let us take a look at the map for a moment. The Philippine Archipelago consists of not a few islands but of 7,083 islands scattered over a distance from north to south of 1,152 miles and from east to west of 682 miles. Spread over the map of the United States the islands would reach from Chicago to Galveston north and south, and from Washington to beyond the borders of Indiana east and west. These islands have more than 20 harbors, a coastline of more than 11,000 miles, exceeding that of the United States proper. One of the first burdens that must be assumed by the Philippines is the building of a navy, not only for the preservation of authority and order in the numerous and scattered islands, but for the purpose of resisting foreign attack. And what a feeble fleet in any event, to meet a militaristic neighbor with one of the strongest battle fleets of the world!

The military defense of the islands will present a similar problem. What possibility of defense have the 7,083 islands against a hostile first-class military power? At present the islands have a constabulary of from 6,000 to 7,000 men which must be materially increased with the withdrawal of the American flag. Thus the requirement of the army necessary to preserve order and maintain sovereignty over a considerable population, represented to be bitterly opposed to Philippine administration, will involve a second burden not now borne by the Filipinos under American protection.

Instead of confining our consideration to sugar and butter and cottonseed oil, should we not give some consideration to the question of education and the ability of the islands to govern themselves? The area of the islands is over 114,000 square miles, which is about the size of Arizona, comparatively speaking, or about the combined area of the six New England States plus New York, Delaware, and about one half of New Jersey. The population is approximately 12,000,000, which is about the same as that of the State of New York, or more than twice that of California or Texas but less than one fifth of the population of Japan, her militant neighbor.

Spain in her rule of 300 years over the Philippine Islands gave the majority of the people the Christian religion and established a culture and a love of music that is rare among orientals. The visitor to these Far East islands is at once impressed at the more hopeful and happier attitude of mind of the Filipino people as compared with other orientals. Someone has said that the Spaniard came to the islands with a sword in one hand and the Bible in the other, but that the American came with a rifle in one hand and a school book in the other. The Americans have made three outstanding contributions to the islands in the brief period of American protection and direction—sanitation, modern highways, and education. I have heard it said that in no other country of the world are children so eager for education and that they actually cry to go to school.

Notwithstanding the planting of the American school on the islands and the enthusiastic reception accorded to it, but 36 percent of the children have the advantage of the American school. Nearly two thirds are denied this great privilege because of the lack of facilities. During the first 25 years of American occupation, between six and seven million children were of school age, but only 530,000 completed the primary course, 160,000 finished the intermediate course, and but 15,500 graduated from high school. The average period of attendance is 3 years or less. The total number speaking English in the islands is about 1,000,000, or about 1 person in 12. Such is the status of education, according to Nicholas Roosevelt, a well-known authority on the Far East. Later authorities, however, increase the number of English-speaking Filipinos.

National unity is an important and essential factor in self-government of any people. Authorities state that the Filipino people speak seven or eight languages as distinctive

as the languages of Europe. It is estimated that more than 80 dialects are used. The people of one community are unable to converse or understand those of another community but a few miles away. The islands of the south are peopled with the Moros, who are Mohammedans. A religious hatred has existed between them and the Filipinos proper for centuries. The mountain people are another distinct people, with little sympathy with the majority, and the prejudices of these are shared by both classes.

What a soil in which to plant a nation! Would it not seem to be just and proper to consider this situation as well as sugar and butter and cottonseed oil? The hauling-down of the American flag will fan the embers of tribal and religious hatred that have been smoldering these years and may burst forth into internecine warfare and domestic dissension and bloodshed that will be destructive of the institutions that are yet in their infancy and, if protected and cultivated, promise to bring about a common language and the dissemination of democratic ideals and a national unity that will in time enable these people to develop a peaceful, progressive, and prosperous destiny.

The American advocates of Filipino independence speak much of sugar and butter and cottonseed oil—too much commercialism and too little statesmanship. Permit me to call your attention to the Filipino presentation of this subject. The two eloquent Delegates from the islands have many times plead to the Members of this House for independence. They make frequent use of those cherished words of "freedom" and "liberty." They have submitted a platform and seven-point program. In reading it I do not find a single objective that cannot be more easily achieved under the protective arm of Uncle Sam, his Army and his Navy, and his philanthropic and sympathetic interest than can be achieved by a helpless people set adrift with a warlike and imperialistic nation less than 100 miles away.

Under the American flag these people have an opportunity to develop a universal school system and teach their citizenship a common language and common ideals of democracy, the very foundation of a sound destiny. Under the direction of the American Government, these people have an unmolested opportunity to develop sanitation, highways, railways, and develop a system of communication and transportation that will cement their commerce, their understandings, and develop a regard for each other. In their present status they are protected by a flag that frees them of the burdens of any army, navy, and the entanglements of diplomacy and enables them to concentrate on their domestic development. What other peoples of the Orient are so advantageously situated, enjoying all the freedom and liberties of domestic pursuits and unhampered with the burdens of militarism and autocratic government and undisturbed by internal dissension and factional strife? What other people in all Asia occupy 7,083 gems of the Pacific, enjoying the liberty and freedom of preparing for a safe and sound destiny, protected at home and from dangers beyond their borders?

Mr. Speaker, the first paragraph of the platform and seven-point program of our esteemed delegates and their friends contains an appeal for support and for votes. Here I quote:

In the present titanic struggle for a cause which involves the life, the liberty, and the happiness not only of the present generation but of generations yet unborn.

Such a statement is not justified by fact in my estimation but is only a rhetorical appeal of patriotic and eloquent fiction. Instead of lashing their supporters into a rhetorical foam they should be urging Uncle Sam to remain in these islands and to protect their people until they have developed through a free school system, a common language, and a national unity and an understanding of the fundamentals of democracy that will assure themselves of stability at home and respect abroad that will permit their untrammelled progress on the road to a greater destiny.

There are other factors from the American viewpoint that should be considered, other than sugar and butter and cot-

tonseed oil. Setting the Philippines adrift and forcing them to find another market for their products in order that they may survive economically, what are we doing to ourselves? There is more justification for California to favor Filipino independence than any other State in the Union. The Filipino laborer who works in the city or the country displaces an American employee. It is much more serious than the competition of sugar and butter and cottonseed oil. Cheap labor from Mexico, the Hindu from India, the Japanese, and the Chinese, and the Filipino bring down standards of living so as to deprive the American laborer of employment. I am decidedly in favor of an embargo on all cheap foreign labor including the Filipino. But I believe this menace can be eliminated without hauling down our flag in the Philippines.

This can be said in defense of the cheap foreign labor in California. Most of these laborers were imported into this country by Americans who desired to exploit them and to profit by their labor. Many of the Filipinos in California were brought by the Navy, which utilized them in a menial capacity. Some of them came from the Hawaiian Islands, where they were brought to work on the plantations, just as were the Portuguese, the Puerto Ricans, the Chinese, the Koreans, the Japanese that preceded them. It is to the credit of many Filipinos that they arose above their environment and sought a more abundant life. Not they but their exploiters should be blamed and curbed.

Pardon this digression, but the Philippine bill means the driving of the ships of America from the shores of the Orient. Sugar, copra, vegetable oils, tobacco, and rope are important items of cargo. Rubber would in time become a valuable export from the islands if American capital had any assurance of the permanency of American protection. The neglect of the development of rubber in the islands is forceful evidence of the lack of confidence in the protection of investments and property under the uncertainties of Filipino government. When the American flag is hauled down, the ships of Japan will drive the American flag from every port of the Orient. Have you ever enjoyed the thrill of seeing the American flag flying from the ships of America in foreign seas? But in voting for the Philippine bill you are voting to drive the flag from every oriental sea where you have expended so many millions of money to maintain it. You are inviting the ships of foreign and competing nations to carry these cargoes from the islands that have contributed materially to our ships that circle the globe and are familiar in its most important ports.

China is the greatest potential market of the world. If the industry and the frugality of China were fostered by a stable and progressive government and the Chinese worker could provide himself with the necessities and few comforts of food, clothing, and shelter, China could absorb the surpluses of America. China is one of the world's largest consumers of cotton and that market can be tremendously expanded by the stability and prosperity of that unfortunate people. If the hunger of China were appeased, our surplus wheat would be consumed in a few months.

If this country had expended a dime in stabilizing the Government of China where it has expended a dollar in the muddles of Europe, we would be enjoying an enormous commerce with China now. Manila is the front door to south China. It is but 400 miles away. An easy step for commercial purposes but far enough for naval defense. French Indo-China is the same distance, and Siam, the Malay States, Singapore, and the Dutch East Indies beyond. Under the protection of the United States, Manila occupies a strategic location in regard to the trade of the Orient.

In addition to the tremendous possibilities of future trade with China, Japan and Russia afford inviting opportunities. Siberia is the New West of the Orient and possesses great natural resources just beginning to yield its riches to the oncoming tide of immigration. It is significant that southern California has already sent the first colony of Americans to this new Eldorado. These may prove the pioneers to an important migration and lay the foundation for a valuable commerce with the Russian ports on the Pacific.

But, you may ask, what has this to do with our relationship to the Philippines? Commerce depends to a large extent upon the friendliness of nations. Russia, England, France, China, and Holland are all deeply interested in maintaining the balance of power and the maintenance of the peace of the Orient. War in the Pacific may involve several of the great nations of the world, including the United States. Our remaining in the Philippines and assisting in maintaining the balance of power is assurance of peace. Hauling down our flag and departing from the islands is an invitation to the nations intoxicated with imperialism to invade and possess the defenseless Islands.

The American flag is a warning for others to keep out and also an influence to retard the imperialistic designs of unscrupulous governments.

Every fourth person in the world is a Chinese. His has been a friendly people. With America in the Orient, he has a friendly neighbor at his door. Think of the disappointment of the Chinese people when they learn that America has hauled down her flag and is no longer a near and friendly neighbor. What will his respect be for our flag if it is hauled down because of sugar and butter and cottonseed oil? What will be his opinion of this Nation which has heralded its ideals of democracy to every cranny of the globe? What will be his feelings when the unfriendly flag of the "rising sun" supercedes the Stars and Stripes and his ancient enemy with its islands and its ships stretches a screen of guns and hostile implements of war before the doors of every port of the great Chinese Republic?

Mr. Speaker, to haul down the American flag in the Orient is to invite the disgust of every nation hoping to preserve the balance of power and the peace of the world in the Orient. Mr. Speaker, the lowering of our flag in the Philippines and the sound of the bugle of our retreat will not only pain the hearts of our friends in the Orient but it will inflame to a greater disregard the greedy ambitions of a peaceful people who at the present hour are intoxicated by the illusions of military ambition.

You may raise the question of self-determination. But self-determination presupposes national unity, popular education, ability to provide national defense, an understanding of the fundamentals of democracy. But what about self-determination in Florida, Louisiana, Puerto Rico, the Virgin Islands, and Alaska? Let us not be led into a false path by the chanting of a subtle shibboleth.

When the people of the islands have begun to reap the rewards of that great institution, the American school, when their people read a common language and speak a common tongue, when they have reached a point in their development that they feel the inspiration of the spirit as well as the forms of democracy, when they are equipped to govern for the common good, then and when their neighbors to the north have yielded to a government of peace and progress and that has a proper regard for its solemn covenants, then we can in honor take down our flag and march away without bringing an apology to those who fought and to those who died to put the flag over the citadels and the castles of an oriental realm.

Let us not forget that if you grant this bill before these people have reached national unity and an understanding of democracy you are wiping out the destiny that Admiral Dewey and his naval heroes won for you by his historic and brilliant victory; you are saying to every American veteran who fought in the Philippine campaign and who suffered the ravages of tropic jungles and a torrid climate, "You fought and died in vain. You won an empire that has been surrendered to sugar and butter and cottonseed oil."

Mr. McDUFFIE. Mr. Speaker, I yield 2 minutes to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Speaker, in 2 minutes one cannot make much of an argument for a bill; but I want to say that I introduced a bill for the immediate independence of the Philippine Islands the first term I was in Congress.

I have never voted for a high protective tariff on oil or on anything else; that is not what I am interested in. I am

interested in carrying out our solemn pledge to these people to give them, if I had my way, immediate and complete independence.

These people have an ancient civilization. The average man who discusses this question, and the propaganda that is spread by the sugar interests which, by the way, are opposed to this measure, would lead one to believe that these people are in the same savage state the American tribes were in at the time the new world was discovered; but let me call your attention to the fact that the Filipinos had long since emerged from the Stone Age and were using steel instruments in 1519. They killed Magellan in a battle that year with steel instruments. They have a civilization that goes back as far as that of the Japanese or that of the Chinese; and to say that we are giving them something they cannot handle is beside the question, it seems to me. In my opinion, they can take as good care of themselves as many of the other nations of the world are doing at this time.

I am extremely anxious to see the American people carry out their solemn pledge and give these people immediate independence, if possible, and if this is not possible, to give it to them as quickly as we can.

Mr. SIROVICH. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from New York.

Mr. SIROVICH. Is it not a fact that if our distinguished predecessor had spoken to the Tories in the days of the American Revolution they would have been opposed to the independence of our Colonies?

Mr. RANKIN. Yes. The average man is looking out for his own selfish interest. The Chamber of Commerce of the United States in the Philippines do not seem to think that any people are capable of governing themselves.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. McDUFFIE. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. DINGELL].

Mr. BEEDY. Mr. Speaker, I also yield 3 minutes to the gentleman from Michigan.

Mr. DINGELL. Mr. Speaker, as a result of the war with Spain the United States of America came into accidental possession of the paradise of the Far East. President McKinley and every President of the United States since that time stated and reiterated the position of America regarding the Philippine people and their domain. It was a solemn, sacred, and a voluntary promise of freedom and independence at the very first opportunity. I have no patience with anyone who will advance the sweet argument here against the independence of the Filipino people. The argument against Filipino independence is plainly a question of sugar, and sugar is not the all-important thing in the lives of the Filipino people. They want the right of self-government, of which they are thoroughly competent. They are entitled to immediate independence. As a matter of fact they are prepared for independence and are in a far better position at this moment and have been for years than the colonies were at the time they fought for their independence against England.

I am not fully satisfied with the terms or the provisions of this bill as it stands. May I compliment the Filipino people, their legislature, their leaders, and the brilliant statesman, the president of the Philippine Senate, Senor Quezon, that they are satisfied with so little, that they have made such modest demands, and in this they have shown their faith in the Government of the United States.

First of all, I should like to see the immediate withdrawal on the part of the United States, and negotiation afterwards, or, as a compromise, I should like to see the probationary period of American domination reduced to not over 5 years. It would be my greatest ambition to see Frank Murphy, the greatest of the Governors General of the Philippine Islands, as the last Governor General there and the first High Commissioner of the new Philippine republic.

I have visited the islands and have heard the objections against Philippine independence, and these objections always emanate from interloper Americans who are living off the fat of the land. If you want the correct sentiment as to whether the Filipino people want independence or not, do not ask a former South Carolinian or someone from Michigan who lives a life of ease out there. Ask somebody who was born and raised there. Ask a Filipino how he feels about freedom and liberty as we Americans know it in this country. There is no question about this attitude and answer. If you place the matter before the people of the Philippine Islands, they will declare in unmistakable language, so that even the opposition will understand, for full and complete independence. America should grant no less than that which she fought for and won for herself.

I feel very keenly on this question of Philippine independence. There should be no condition or argument advanced against it, because there is no tenable argument that can be made against granting liberty and freedom. These people want it, and they should have that which every President of the United States has declared himself as being in favor of in a language that was unmistakable.

It is high time that America discharge her obligations to these people, else they will lose confidence in our veracity. The question of sugar, copra, and whether our trade balance is for or against us makes very little difference. The prime question is the question of the happiness and the ambition of these people to govern themselves. They await immediate relief, and America is honor bound to discharge her obligation by granting it.

Mr. ZIONCHECK. Will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Washington.

Mr. ZIONCHECK. Is it not true that many that resist independence for these people have investments in the islands amounting to something like \$247,000,000?

Mr. DINGELL. That is in my estimation one of the fundamental reasons why the Philippine people are not independent today.

Mr. CARPENTER of Nebraska. And are there not others opposed to the independence of the Philippine Islands who own soap factories in San Pedro and some parts of New York?

Mr. DINGELL. That is also true. [Applause.]

[Here the gavel fell.]

Mr. McDUFFIE. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri [Mr. LOZIER].

Mr. LOZIER. Mr. Speaker, I favor the pending bill, H.R. 8573, which is in essence and substance the Hare-Hawes-Cutting bill, which the Seventy-second Congress passed over the veto of President Hoover.

I have been a consistent and militant advocate of Philippine independence. I voted for and advocated the enactment of the Hare-Hawes-Cutting bill, which had the unqualified approval of PEDRO GUEVARA and CAMILO OSIAS, Resident Commissioners from the Philippine Islands, and also of the Special Philippine Independence Mission, headed by Sergio Osmeña and Manuel Roxas. Their place in history is secure. I also understand Hon. Manuel Quezon endorsed and favored the enactment of the Hare-Hawes-Cutting bill.

When party passions in the Philippines have subsided and when the political feuds in these islands have ended, the Hare-Hawes-Cutting Act will stand out in history as one of the monumental charters of human liberty. It marks the manumission of a race of 14,000,000 people, and the birth of a republic in the Far East that will exert a potential influence in the Pacific, awaken the slumbering Asiatic millions, and imbue them with a passion for freedom and representative government.

I will enumerate the difference between the Hare-Hawes-Cutting bill and the McDuffie bill:

The title to the Hare-Hawes-Cutting bill is as follows:

An act to enable the people of the Philippine Islands to adopt a constitution and form a government for the Philippine Islands and to provide for the independence of the same, and for other purposes.

The title to the McDuffie bill is as follows:

A bill to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government in the Philippine Islands, and for other purposes.

The words "complete independence" mean no more than the word "independence." Independence is defined as "the state or quality of being independent; freedom from dependence; exemption from reliance on or controlled by others; self-subsistence or maintenance; direction of one's own affairs without interference."

The Hare-Hawes-Cutting Act provided that the Philippine Legislature should call a convention to meet not later than January 17, 1934, to frame and submit to the Philippine people for adoption, a constitution for the Philippine Commonwealth. The McDuffie Act extends that time to not later than October 1, 1934.

Only in one provision does the McDuffie Act materially differ from the Hare-Hawes-Cutting Act. In sections 5 and 10 of the Hare-Hawes-Cutting Act the United States Government retains both military and naval reservations, while in sections 5 and 10 of the McDuffie Act the United States does not retain any military reservations, but does retain naval reservations and fueling stations. In other words, at the end of the 10-year transition period, under the Hare-Hawes-Cutting Act the United States could have retained both naval and military bases, while under the McDuffie bill the United States can retain only naval bases and fueling stations in the Philippines, and within 2 years after the withdrawal of our sovereignty the United States and the Philippine Commonwealth may enter into negotiations to adjust and settle all questions relating to naval reservations and fueling stations of the United States in the Philippine Islands, and pending such adjustment and settlement the matter of naval reservations and fueling stations shall remain in its present status. It is to be hoped that all political parties, blocs, and groups in the Philippines will accept this measure and harmoniously cooperate in building their new Commonwealth and preparing their people for their duties and responsibilities as a member of the sisterhood of nations.

Mr. McDUFFIE. Mr. Speaker, may I read for the RECORD a telegram from the majority floor leader of the Senate and of the House of Representatives of the Philippine Islands on behalf of the senate and the house of representatives. This telegram reads as follows:

On behalf of the majority of the senate and of the house of representatives we endorse the McDuffie-Tydings bill and request that it be passed by Congress. If said bill is enacted into law during the life of the present legislature, it will be accepted by the said legislature.

PAREDES,
Speaker of the House of Representatives.
RECTO,
Majority Floor Leader of the Senate.

Mr. Speaker, I ask unanimous consent that all Members who desire to do so may have 5 legislative days within which to extend their remarks in the RECORD on this bill.

Mr. Speaker, I yield the remaining time, 30 seconds, to the gentleman from Minnesota [Mr. JOHNSON].

(Mr. JOHNSON of Minnesota asked and was given permission to revise and extend his remarks.)

Mr. JOHNSON of Minnesota. Mr. Speaker, I shall have to vote for this bill that the Committee on Insular Affairs is bringing up today under suspension of the rule, because I am in favor of the independence of the Philippine Islands, but I think under this bill it will require too long a time. Ever since the United States signed the treaty with Spain and took over the Philippine Islands it has pledged these people their freedom, and President after President has repeatedly made the statement that, when the Philippine Islands were ready, they would be granted their independence. The Filipinos have been ready for this for many years, and yet the past administrations have failed to grant them their freedom that they are so deserving of.

As a liberty-loving people ourselves, we cannot escape the responsibilities that fall upon our shoulders in meeting this

problem, and we should pass legislation that will grant the people of these islands their own democratic form of government that they have been fighting for for so many years. This is not only a problem of vital concern for the citizens of the Philippine Islands but it is a vital problem of our own Nation. The farmers of this country, as well as the laborers, must be protected from the flood of imports that have been produced by these islands. The things that we are producing and the prices which our producers are getting have been forced down to new all-time minimums. We can do much to correct the evils of this vicious flood of imports by voting for a bill that will provide for immediate independence.

At the outset of this session I introduced the companion measure of Senator KING, which will give the Philippines their complete independence within the shortest possible time. The passage of my measure would immediately set the dairy farmers, the cotton farmers, and the sugar growers free from the yoke of a strangulation hold that the Philippine producers now hold over them.

It is needless for me to say that hundreds of thousands of tons of sugar and millions of pounds of fats and oils coming free into this country should be stopped, or it will at once set free the unfair competition that our producers have had to face in beating down this low-price flood of cheap substitutes. With millions of coconut trees producing already, it takes but a moment's reflection to visualize what will happen to our dairy industry in the future.

Through the passage of my butter resolution, when I was a Member of the Senate, which has brought millions of dollars to the dairy farmers of this country we had hoped at that time to place a barrier on imported butter products. We hope that this committee bill will be amended in the Senate so as to give the Philippines their independence within the shortest possible time, as their independence will bolster and protect American agriculture for the American farmer.

The SPEAKER. The question is on the motion of the gentleman from Alabama to suspend the rules and pass the bill.

The question was taken; and two thirds having voted in favor thereof, the rules were suspended, and the bill was passed.

Mr. MARTIN of Colorado. Mr. Speaker, I esteem it a privilege to have been present in the House of Representatives today and to have participated in the applause when the name of the Honorable Manuel L. Quezon, the President of the Philippine Senate, and former Commissioner to Congress from the Philippine Islands, was mentioned by Mr. McDUFFIE, the Chairman of the Committee on Insular Affairs, during his presentation of H.R. 8573, to provide for the complete independence of the Philippine Islands.

The applause was a deserved tribute to the man who was a pioneer in Congress in the cause of the independence of his country, and perhaps there is no Member of Congress who has any better title than I, on this historic occasion, to pay an added tribute to him. As the Members applauded his name, I looked across at him seated in the Hall and my memory bridged the gap of 25 long years since I first saw him in the House of Representatives in 1909 and listened to his maiden speech in Congress, a brilliant and masterly effort which won him instant recognition as a statesman, although at that time he was perhaps under 30 years of age.

Four years later I dropped out of Congress, but I have kept track of his career during all this long interval, a career devoted to the service of his country and the cause of its independence. It is my sincere wish that not only may he live to see his life's work crowned with success, but that his distinguished abilities and unswerving record of loyalty and service to his country may be finally crowned and rewarded by his election as the first president of the Philippine republic.

The basis of my sentiment and regard for Senator Quezon is deep rooted. It originated in a struggle during the Sixty-first Congress for the rights of the Filipino people, to which

I feel peculiarly entitled to write the final chapter at this time, a struggle we waged practically alone and which seemingly ended in defeat, but which I have only just learned was crowned with success, to the lasting benefit of the people of the islands. I never knew the last chapter until after the lapse of 21 years, when I again met Senator Quezon as his guest at a dinner recently given by him at Washington in honor of the Honorable George W. Dern, Secretary of War.

Let me review the story in brief. There are few Members in the present Congress who have any knowledge of it, because when I returned to the House of Representatives after a lapse of 20 years, I found among its Membership of 435 men only 6 familiar faces. Such are the ravages of time and politics.

Shortly after coming to Congress in 1909, my attention was turned to insular affairs, owing to my membership on the Insular Affairs Committee. The story begins. When the United States acquired the Philippine Islands from Spain there was taken over from the religious order of Friars, certain large tracts of rich farming lands, much of it located in the vicinity of Manila. The avowed purpose of the dispossession of its owners was to break these large tracts up into small farm holdings among the tenant farmers. Contrary to this avowed and beneficent purpose, I discovered that these lands were being leased in large tracts to certain sugar interests in the United States. As many of the persons who were involved in the controversy which ensued my discovery of this perversion and violation of the solemn contract of this Government and the rights of the Filipinos have now passed from the scene, I shall mention no names.

I introduced a resolution to investigate this situation, and subsequently many other resolutions, bit by bit dragging out the required information. The committee was against me, the House was against me, the administration was against me. I forced recognition to move the passage of the resolution under dramatic conditions, taking advantage of a parliamentary situation on the last night of a session of Congress, which need not be rehearsed here.

I was made to pay dearly for my victory. When the ensuing session of Congress convened several of the executive heads of the Philippine government had been brought to Washington, together with what was said to have been tons of documents, and from the Bureau of Insular Affairs, also in the hands of the opposition, a session-long fight was conducted. Except for the assistance rendered me by the then Commissioner Quezon, it was a single-handed fight against great odds. As is only too frequently the case, the acquisition of these lands by the exploiting interests was handled by powerful persons who were much closer to the administration than being merely persona grata. They were of the reigning blood. One of these persons was in a position to interpret officially the organic law of the Philippine Islands passed by Congress.

The organic act limited the alienation of Philippine public lands to 65 acres to an individual and 2,500 acres to a corporation. This official rendered an opinion that the limitation in the organic act did not apply to the so-called "Friar lands." The sugar camel not only got his nose into the tent, he shoved all the occupants out, or, rather, he trampled them under foot.

Against such insurmountable odds, the result of the investigation was inevitable. The committee finally brought in a report exonerating the insular government and the administration at Washington and severely criticizing the author of the investigation. It required all the good offices of the Democratic minority on the committee to prevent more drastic action.

From the day I left Congress on March 4, 1913, until I met Senator Quezon in Washington in February 1934, I never cared to inquire or learn what had become of the Friar lands. It was an episode in my life I would fain forget. The lapse of time has not been able to erase the ordeal of that inquisition, in which one man was crucified for months by overwhelming odds and knowing all the time that condemnation would be his reward.

Naturally, however, on meeting Senator Quezon, I asked him what had become of the Friar lands, and to my utter amazement he replied, "your fight was successful. * * * It was a whitewash at Washington, but not in the Philippines, and those lands are now all in private possession of the people." The Philippine Assembly, it appears, had passed acts to bring this about and finally effectuate the original object of the acquisition of those lands. Further, I learned that the effects of this fight have shaped and dominated the land policy of the Filipinos. They determined that their people should not be peonized to great landowners. Surely this is a great reward, not only after many days but many years.

I rejoice that this country is to adhere to its foundation principles, its traditions, and its oft-declared policy against the acquisition of foreign territory through military conquest and the government of foreign people against their will. This bill forever sets at rest any question as to the intent of the United States of America regarding the Philippine Islands. It is one more act distinguishing the policy of the United States from that of all other governments with respect to the acquisition of foreign territory. It is in line with the return to China of the Boxer indemnity, a thing done by no other nation. It is in line with the freedom of Cuba. It is in line with our refusal of colonial acquisitions after the World War. It is in line with the withdrawal of our armed forces from Central American territories. It is an affirmation of the declarations of Grover Cleveland and Woodrow Wilson. It should forever establish in the mind of the world the position and policy of this great Republic touching the rights and liberties of the smaller and weaker peoples of the world. America vindicates and justifies itself in its own eyes and in the eyes of mankind.

Mr. WELCH. Mr. Speaker, I favor the immediate passage of legislation granting independence to the Philippine Islands. The enactment of this bill (H.R. 8573) will fulfill the obligation of the United States incurred when Admiral Dewey fought the Battle of Manila Bay on May 1, 1898. We pledged the people of the Philippines then, and repeatedly since that time, that the United States Government had no intention of permanent annexation of the islands, but on the contrary that we were moved entirely by the desire to assist them in establishing a stable government which would assure them permanent freedom.

The record of the past 35 years indicates we have rendered this assistance. The Filipinos have demonstrated their ability for self-government. This is conceded on every hand. They have now asked the fulfillment of our pledge. Their request is in complete harmony with our policy. We should grant them full sovereignty in accordance with the safeguards included in this bill.

As a member of the Committee on Insular Affairs of the House of Representatives, I have taken a sympathetic interest in the study of their progress and future problems. The presentation of their case before the committee by their representatives, proved conclusively that the Filipino people are prepared to take their place among the nations. They have been steadily developing their own natural resources; broadening their educational facilities, and securing their economic prosperity. Our work is completed. To continue American dominion over this people, who because of their racial characteristics necessarily differ from us, will bring harm to the institutions they have built and involve us in greater problems.

In the preparation of the present legislation, the members of the Committee on Insular Affairs have given deserving consideration to the economic security and international relationships of the Filipino people by providing for complete Philippine independence after a transition period during which their domestic economy can be adjusted to meet the necessarily changed conditions. I favor this because it places a safeguard insuring the economic safety of the Philippines.

From every conceivable standpoint we have considered their problems and accordingly have presented a bill fully assuring them of every possible assistance in the attainment

of their national ideals. On the other hand, we have taken into consideration our own problems as they relate to the people of the Philippines.

Section 6 of the bill deals with the trade relations between the Philippines and the United States. These relations have been beneficial to both the islands and the United States in the past. The passage of this section of the bill will encourage the Filipino people to continue that friendly relationship by adding to their own revenues in shipping their products to the United States. As the great majority of the tonnage is handled by American owned and operated vessels, this will continue a valuable traffic for our American merchant marine.

But of far greater importance than these economic advantages are the human and social rights involved. I do not discredit the people of the Philippines when I say that, with all my friendship and admiration for them, I must also recognize that they are a people of another race. Their outlook upon life differs from the American outlook; their philosophy is not ours; their mode of life differs; their very ideals must necessarily differ from our own. Because of these, our own human and social interests demand that we make proper recognition of these facts.

The Congress recognized these problems when the islands were acquired and therefore did not grant citizenship to the inhabitants of the Philippines. But the mistake was made of permitting their migration to this country in unlimited numbers to compete with the American workingman in a manner that has placed our own people at a great disadvantage.

I introduced the first bill in Congress ever presented to stop this migration. The original measures providing for independence of the Philippines did not include such a provision. The Hare bill and the Hawes-Cutting bill, upon my advocacy, and the present bill, in section 8, contains provisions which, when enacted, will satisfactorily settle this problem.

The migration of Filipino laborers in unlimited numbers to the United States must be stopped by the present Congress and simultaneously with the passage of this bill. I believe that if Congress could have foreseen the present serious difficulties which have arisen from their unrestricted migration to America, it would have withheld the privilege of complete freedom of entry into the country from the very beginning.

Filipino laborers, many of whom were first lured to the Hawaiian Islands by American proprietors of the extensive sugarcane fields and sugar mills, have for a number of years been coming to the Pacific coast in large numbers. A study of this migration will reveal that more than one half the number shown present in the United States by the census of 1930 arrived during the 3 years 1929, 1930, and 1931. This is conclusive proof that while the census of 1930 shows a Filipino population of only 45,203, the actual number present in the United States far exceeds this figure.

I have no racial prejudices. Every man and woman in this country is descended from foreigners, no matter whether our ancestors landed on Plymouth Rock or in Castle Garden. However, we have long since reached the saturation point. With over 10,000,000 unemployed and other millions on temporary relief work, our problem of employment cannot be further increased by the migration of other races who cannot be merged with our own people. It is unjust to American workingmen to add more to this deplorable list of unemployed. To every race God gave a place in the sun, and the place of the Filipino is in the Orient. The enactment of this bill and its acceptance by the Filipino legislature will immediately stop this migration of the Filipinos to our shores.

SALES OF AMERICAN AGRICULTURAL SURPLUS PRODUCTS

Mr. SOMERS of New York. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 7581) to authorize a board composed of the President, the Secretary of the Treasury, the Secretary of Commerce, and the Secretary of Agriculture to negotiate with foreign buyers with a view of selling American agricultural surplus products at the world market price and to accept in payment therefor silver coin or bullion at such value as may be agreed upon, which shall

not exceed 25 percent above the world market price of silver, and to authorize the Secretary of the Treasury to issue silver certificates based upon the agreed value of such silver bullion or coin in payment for the products sold, and for other purposes.

The Clerk read the bill, as follows:

Be it enacted, etc., That for the purpose of exchanging American agricultural surpluses for foreign silver bullion and coin, a board named the "Agricultural Surplus Exchange Board" is hereby established. Such board shall consist of the President, the Secretary of the Treasury, the Secretary of Commerce, and the Secretary of Agriculture. Hereafter in this act the Agricultural Surplus Exchange Board shall be designated as the "board."

SEC. 2. The board is hereby authorized and directed, through commercial attachés, consuls, and other agents residing in foreign countries, to negotiate with foreign buyers with the view of selling American agricultural surpluses produced in the United States at the world market price to be paid for by said foreign buyers in silver coin or bullion at such value per ounce as may be agreed upon by the board and said foreign buyers: *Provided, however,* That the board shall in no event agree to accept silver bullion or coin at a price in excess of 25 percent above the world market price of silver. The board is authorized, through the foreign agents above mentioned, to enter into option contracts with foreign buyers to deliver to them agricultural surplus products at the world market price and accept in payment for same silver bullion or coin at such value per fine ounce as may be agreed upon and which shall not exceed 25 percent above the world market price of silver.

SEC. 3. The board is further authorized to purchase such agricultural surplus products as may be deemed necessary to fulfill option contracts with foreign buyers or to make deliveries to foreign buyers for the purpose of carrying out this act. The board is authorized to employ any governmental agency of the Agricultural Department in securing the amount of agricultural surplus products necessary to make such deliveries, and to enter into contracts with the producers of such products as may be necessary for the purpose of carrying out the purposes of this act.

SEC. 4. The board is authorized and directed to deposit the silver bullion or coin received in exchange for the said products sold to foreign buyers with the Secretary of the Treasury, and the Secretary of the Treasury shall immediately cause to be issued, against such silver bullion or coin, silver certificates based upon the value per fine ounce which was agreed upon by the board and said foreign buyers: *Provided, however,* That the Secretary of the Treasury shall in no event issue silver certificates based upon any agreed value in excess of 25 percent above the world market price of silver. The silver certificates so issued shall be used by the board to pay for the agricultural products sold to foreign buyers under the provisions of this act.

SEC. 5. The board is hereby directed to authorize the Farmers' Cooperative Marketing Associations to enter into contracts for the sale of American agricultural surplus products in exchange for silver bullion or coin at such value per ounce as the board shall determine and the same provisions in reference to the issuance of silver certificates and the limitation as to the amount at which the silver coin or bullion shall be valued as above set forth in preceding section hereof shall apply to this section.

SEC. 6. The amount of premium or excess above the world market price which the board is authorized to agree to as payment for the products sold to foreign buyers shall not exceed \$400,000,000 a year.

SEC. 7. The Secretary of the Treasury is authorized and directed to accept any deposits of silver in the Treasury of the United States which such Secretary, subject to regulations prescribed by the board, is satisfied have been imported into the United States in payment for agricultural surplus products sold and delivered, or to be delivered, to foreign buyers for exportation at a price which shall from time to time be determined by the said board; *Provided, however,* That the price per ounce for such silver shall not be less than 10 percent above the world market price of silver and not in excess of 25 percent above the world market price of silver. The Secretary of the Treasury is further authorized and directed to issue for the account of the Treasury, against the silver so deposited, silver certificates based upon the price per ounce fixed by the board, and deliver same to the owner of such silver who tenders same to the Secretary of the Treasury under the provisions of this act.

SEC. 8. Upon receipt of the silver bullion or coin from foreign buyers the board shall deliver same to the Secretary of the Treasury. The Secretary of the Treasury shall immediately cause to be issued, against such silver bullion or coin, silver certificates based upon the agreed value at which the silver is accepted, and issued in denominations of \$1, \$5, \$10, \$20, and \$100.

SEC. 9. The silver bullion received under the provisions of this act shall be stored in the Treasury of the United States in blocks or bricks of standardized or uniform fineness and in convenient units by weight and stamped by authorized official stamp, as may be determined within the discretion of the Secretary of the Treasury.

SEC. 10. The silver certificates issued under this act or any silver certificates reissued shall be legal tender in payment of all debts and dues, public and private, of every nature and description, and shall be receivable for customs, taxes, and all public dues, and when accepted by the Government shall be reissued and in all respects shall become a part of the lawful money of the United

States. Said certificates, when held by international banking associations or Federal Reserve banks, may be counted as a part of their lawful reserve.

SEC. 11. That there shall be engraved on one side of each certificate so issued "This certifies that there is on deposit in the Treasury of the United States silver bullion equivalent, when valued in gold, to the face value of this certificate" and, on the reverse side, "This certificate is legal tender for all debts, both public and private."

SEC. 12. At such times and in such amounts as, in the judgment of the Secretary of the Treasury, is necessary to maintain the equal purchasing power of every kind of currency of the United States, there shall be delivered to the holder of the certificate, upon presentation for redemption of silver certificates provided for in this act, a quantity of silver as will equal in value at the date of presentation the number of dollars expressed on the face of the certificate at the market price of silver, or in gold, at the option of the Board.

SEC. 13. The board is hereby authorized and directed to make such rules and regulations as may be necessary for immediately carrying out the provisions of this act.

SEC. 14. The board provided for in this act shall terminate on January 1, 1936, unless by law hereinafter enacted the life of such Board shall be extended.

SEC. 15. The right to alter, amend, or repeal this act is hereby expressly reserved. If any provision of this act, or the application thereof to any person or circumstance, is held invalid, the remainder of the act and the application of such provision to other persons or circumstances shall not be affected thereby.

SEC. 16. All acts or parts of acts inconsistent with any of the provisions of this act are hereby repealed.

Mr. McGUGIN (interrupting the reading of the bill). Mr. Speaker, I ask unanimous consent that the further reading of the bill be dispensed with and the bill be printed in the RECORD in its entirety.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

The SPEAKER. Is a second demanded?

Mr. ELTSE of California. Mr. Speaker, I demand a second.

Mr. SOMERS of New York. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SOMERS of New York. Mr. Speaker, I ask unanimous consent, in view of the importance of this legislation that we may have a more extended discussion. I have requests for little over 1 hour and I would therefore suggest, if agreeable to the gentlemen on the other side, it might be a good plan to have 2 hours of discussion of this measure.

Mr. SNELL. One hour on the side?

Mr. SOMERS of New York. One hour on the side.

Mr. SNELL. I think this is such an important piece of legislation we ought not to pass it in 20 minutes on the side.

Mr. McGUGIN. If the gentleman will permit, I think we should have more time than that and will not the gentleman make it one hour and a half on the side?

Mr. SOMERS of New York. That is acceptable to me, if no one objects.

Mr. COCHRAN of Missouri. Mr. Speaker, reserving the right to object, I do not see any use of extending debate upon a bill that you are going to be required to vote on as is. If you were going to consider this bill under the 5-minute rule it would be a different matter, but why should you want extended debate when you are calling up a bill under suspension of the rules and are not going to give us an opportunity to offer amendments to the bill? We, members of the committee to which the bill was referred, did not have an opportunity to offer amendments in committee. It comes to you from the committee without an amendment and you will be asked to vote on the measure as introduced in the House on February 2, 1934. A measure of such vast importance should not come here without some definite report from the Treasury Department. As written, the bill creates another Government agency to engage in business, for it authorizes a board to sell surplus agricultural products. Why not leave that to our citizens, engaged for years in that business. If there is such a demand for this bill as would appear by the action of the committee in reporting the measure without considering it for amendment, then I see

no reason for discussing it longer than the rule provides. Therefore, Mr. Speaker, I object to 3 hours additional debate on the bill as it can serve no useful purpose.

Mr. WOODRUFF. Mr. Speaker, will the gentleman reserve his objection a moment?

Mr. CARPENTER of Nebraska. Mr. Speaker, I make the point of no quorum.

The SPEAKER. The Chair will count.

Mr. SOMERS of New York. Mr. Speaker, I desire to renew my unanimous-consent request.

The SPEAKER. Does the gentleman from Nebraska withhold his point of no quorum?

Mr. CARPENTER of Nebraska. I withhold it temporarily, Mr. Speaker.

Mr. SOMERS of New York. Mr. Speaker, I renew my request for unanimous consent to extend the time for debate to 2 hours.

The SPEAKER. The gentleman from New York asks unanimous consent that debate on this bill be extended to 2 hours, one half to be controlled by the gentleman from California [Mr. ELTSEL] and one half by himself.

Mr. BACON. Mr. Speaker, I object and demand the regular order.

Mr. CARPENTER of Nebraska. Mr. Speaker, I make the point of order there is not a quorum present.

The SPEAKER. The Chair will count.

Mr. CARPENTER of Nebraska. Mr. Speaker, I withdraw the point of no quorum.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. SOMERS]?

Mr. BACON. Mr. Speaker, at the request of the minority leader I withdraw my objection.

The SPEAKER. Is there objection?

There was no objection.

Mr. SOMERS of New York. Mr. Speaker, I yield 20 minutes to the gentleman from Texas [Mr. DIES].

Mr. DIES. Mr. Speaker, ladies and gentlemen of the House. Before I begin the discussion of this bill I want to deny some of the rumors that are going about the House. It has been whispered in some quarters that the administration is opposed to this bill. I want to say in the most emphatic manner that, insofar as I have been able to learn, the President has not authorized anyone to say that he is opposed to this bill. I challenge any man to show that the President of the United States is opposed to this bill.

Mr. FITZPATRICK. Will the gentleman yield?

Mr. DIES. Yes.

Mr. FITZPATRICK. Has not the President the same power now to do what is in this bill?

Mr. DIES. No.

Mr. SNELL. I should like to ask the gentleman a question.

Mr. DIES. I yield to the gentleman.

Mr. SNELL. It has been reported that the Secretary of the Treasury appeared before your committee and opposed the bill. Is that true?

Mr. DIES. That is not true. I will say to the gentleman that the Secretary of the Treasury has never opposed this bill before our committee. I will also add that the Secretary has never stated to me that he was opposed to it.

Mr. CELLER. Is the administration in favor of it?

Mr. DIES. I am not authorized to say that the President favors the bill because the President has never told me that he favors the bill.

In that connection permit me to say that on January 30, 1934, I wrote to Hon. Marvin McIntyre, the secretary of the President, in reference to this bill. In the letter I stated as follows:

I think that it is highly important that the President should examine the bill and advise me whether or not he has any objection to it. As you know, I am tremendously interested in the success of the administration, and do not want to urge anything that might be contrary to the President's policy at this time.

I also stated in that letter that—

It is very important that I have his views on this bill before Monday, and I am asking you as a personal favor to me to bring the matter to his attention as soon as possible.

On February 5, I again wrote Mr. McIntyre as follows:

If the administration has no objection to H.R. 7581, it is my opinion that it will be reported favorably in a few days and that we can secure immediate hearings before the House. As a Democrat, with an unbroken record of supporting the President, I feel that I am entitled to know whether or not the President has any objection to these bills. May I, therefore, request you to advise me as soon as possible whether or not the President is opposed to these two bills so that I can communicate this fact to our committee, the Speaker of the House, the majority leader, and the Rules Committee?

On February 12, Mr. McIntyre replied to my letter, as follows:

This is to acknowledge receipt of, and thank you for, your letter of February 5, re H.R. 7581. It is my understanding that Secretary Morgenthau is communicating with you further on this subject.

On February 3, 1934, I wrote Secretary Morgenthau a letter which contained the following paragraph:

If you will advise Mr. FIESINGER what day next week will be most convenient for you to appear before the committee we will make our arrangements accordingly. In the meantime I will be very grateful if you can find it possible to advise me definitely whether you approve or disapprove these bills. If the administration is going to object to these bills, as a loyal Democrat with an unbroken record of supporting the President I should like to know as soon as possible.

On February 9 the Secretary of the Treasury wrote me a letter which he later authorized me to make public. The letter is as follows:

I promised I would let you know today what the Treasury's position is with reference to the two bills relating to silver, which you were good enough to send to me.

As appears from the latter part of the President's recent message to the Congress on monetary matters it is the firm policy of the administration to move forward on a program for the rehabilitation of silver. Any such program should be in line with, and in aid of the London agreement, in the consummation of which the United States Government took the initiative. A program for the rehabilitation of silver has also to take into account the many and complex factors involved in the action with reference to gold which it has been necessary to take, and involved in the complex field of foreign exchange and world trade. In other words, steps for the rehabilitation of silver must be taken in the light of the entire domestic and international monetary and trade policy of the Government.

Under existing legislation the President has full and ample power to deal with any and all phases of the silver question. What further steps in relation to silver I may recommend to the President, it would not be in the public interest at this time to say more than that they are the subject of vigorous and constant study.

On January 30, 1934, I wrote a letter to Secretary Wallace and enclosed a copy of this bill. In that letter I stated "The committee would like to have you appear before it and state whether or not you approve this bill. The Chairman has authorized me to extend an invitation to you. Will you please let me know your views on this bill and whether or not you will be able to appear before our committee next Monday?" On February 3, 1934, the Secretary of Agriculture acknowledged receipt of my letter as follows:

This will acknowledge receipt of your letter of January 30 in which you extend an invitation to appear before the Committee on Coinage, Weights, and Measures, on next Monday to express my views relative to H.R. 7320.

I regret that engagements already arranged will make it impossible for me to accept your kind invitation. We shall be pleased to submit to you, however, at a later date our views relative to H.R. 7320 when we have had an opportunity to examine the proposed measure in greater detail.

Neither the President, nor the Secretary of Agriculture, nor the Secretary of the Treasury has ever submitted to me any objections to this bill. I think that everyone will agree that I have been perfectly fair with the administration and given it a full opportunity to express any objections it might have to this bill.

Let me describe this bill as rapidly as the time will permit. The bill provides for the appointment of a board to be composed of the President, the Secretary of the Treasury, the Secretary of Commerce, and the Secretary of Agriculture. This Board is to be known as the "Agricultural Surplus Exchange Board. The board is authorized and directed, through commercial attachés and other agents residing in foreign countries, to negotiate with foreign buyers with the

view of selling American agricultural surplus products in the United States at the world market price to be paid for by the foreign buyers in silver coin or bullion at such value per ounce as may be agreed upon by the Board and the foreign buyers. The board shall in no event agree to accept silver bullion or coin at a price in excess of 25 percent above the world market price of silver. The Board is further authorized to purchase such agricultural surplus products as may be deemed necessary to fulfill option contracts with foreign buyers or to make deliveries to foreign buyers for the purpose of carrying out this act. In this connection, the board is authorized to employ any governmental agency of the Agricultural Department in securing the necessary amount of agricultural surplus products. The Board is authorized and directed to deposit the silver bullion or coin received in exchange for the products sold to foreign buyers with the Secretary of the Treasury, and the Secretary of the Treasury shall immediately cause to be issued against such silver bullion or coin, silver certificates based upon the value per fine ounce which was agreed upon, with the limitation that the agreed value shall not exceed 25 percent above the world market price. The silver certificates so issued shall be used by the Board to pay for the agricultural products sold to foreign buyers under the provisions of the act.

In order that the Farmers' Cooperative Marketing Association may receive the same treatment, the Board is directed to authorize them to enter into contracts for the sale of American agricultural surplus products in exchange for silver bullion or coin at such value per ounce as the Board shall determine, with the same provisions in reference to the issuance of certificates and the limitations as to the amount at which the silver coin or bullion shall be valued as set forth in the preceding sections of the bill.

In order that it may not be charged that this bill discriminates against the private exporters of agricultural surpluses and puts the Government into competition with them, section 3 provides that the Secretary of the Treasury is authorized and directed to accept any deposits of silver in the Treasury of the United States which such Secretary, subject to regulations prescribed by the Board, is satisfied have been imported into the United States in payment for agricultural surplus products sold and delivered, or to be delivered, to foreign buyers for exportation at a price which shall from time to time be determined by the Board; provided, however, that the price per ounce for such silver shall not be less than 10 percent above the world market price of the silver and not in excess of 25 percent above the world market price of silver.

The same provisions in reference to the issuance of certificates is set forth in section 7 of the bill. The bill also provides that the silver certificates shall be legal tender in payment of all debts and dues. Section 12 is the redemption clause of the act, and in this connection may I emphasize that this bill contains the same redemption provisions as the gold revaluation bill recently passed by Congress. It provides, in other words, that at such times and in such amounts as, in the judgment of the Secretary of the Treasury, it is necessary to maintain the equal purchasing power of every kind of currency of the United States, there shall be delivered to the holder of the certificate, upon presentation for redemption of silver certificates provided for in this act, a quantity of silver as will equal in value at the date of presentation the number of dollars expressed on the face of the certificate at the market price of silver or in gold at the option of the Board.

Another important provision of this bill is section 13, which authorizes and directs the Board to make such rules and regulations as may be necessary for immediately carrying out the provisions of the act.

Mr. SIROVICH. Mr. Speaker, will the gentleman yield?

Mr. DIES. Let me go a little further, then I shall yield. As everyone knows, the Treasury at the present moment is accepting deposits of newly mined silver and paying 64½ cents an ounce for the silver. The Treasury is also taking one half of all newly mined silver as seigniorage. Against

the deposits of newly mined silver legal tender certificates are issued. The plan proposed in this bill is more or less an extension of the domestic plan already in force by administrative proclamation to include the acquisition of foreign silver in payment for agricultural surplus products.

I think it is generally recognized that one of the most serious problems that confronts us today is our inability to dispose of our agricultural surpluses. In 1928 we sold approximately \$1,800,000,000 of agricultural surpluses to foreign Nations. This has dropped year by year until last year we sold only about \$400,000,000 of agricultural surplus products. The reasons for this are apparent. Nations who would like to purchase our agricultural surpluses are unable to do so because, in the first place they have no gold to pay for it. The gold of the world is cornered by three Nations—the United States, France, and England—and under the monetary policies now in force in those three countries there is little or no probability that in the near future there will be any redistribution of gold. As a matter of fact, these Nations are beginning to lock their gold bullion in vaults and keep it there.

The following facts illustrate how unequally the gold stock of the world is distributed. The United States and France now hold more than \$6,000,000,000 of gold, something approximating \$40 per capita of population based on the value of gold prior to revaluation. It would be difficult to convince either country that it has an unnecessary amount of gold. But if two of the leading nations believe that they require this much gold per capita, is it not reasonable to assume that weaker nations require fully as much? If we were to give the other nations the same amount of gold per capita we would have to have more than five and one half times the present supply of gold in the world. If we subtract the amount of gold locked up in the vaults of France and the United States from the total world supply of gold, we would have less than \$4 per capita for the rest of the world. This is, of course, based upon the old valuation of gold.

Even the advocates of the orthodox gold-standard theory admit that due to the maldistribution of this precious metal, a large percentage of the commercial population of the earth do not possess sufficient gold with which to do business, or maintain a currency and credit system based upon this metal. Many thoughtful students of the question believe that the annual increase of the world's monetary stock of gold has been insufficient during the past decade or so to maintain the price level to which society has become adjusted. This school of thought contends that "for a stable and equitable price level, the world monetary stock of gold must first be large enough to sustain the price level to which society is adjusted and must thereafter increase at the same rate as the production of other commodities, or about 3.15 percent per year", and that "in order to have the monetary stocks increase 3.15 percent per year when only 56 percent of the production is added to monetary stocks, the world production must be 5.6 percent of the world monetary stock of gold." This school of thought cites authentic figures to prove that we have had no such increase to the world stock of gold during the past decade or so and that this is partly responsible for the disastrous fall in prices. This same school of thought contends that due to the insufficient increase to the world's monetary stock of gold, the purchasing power of gold, as measured in commodities, has increased to such an extent that we are approaching bankruptcy.

Whether or not this contention is correct, I shall not seek to prove at this time. Suffice it to say that according to the views of all schools of thought, the monetary stock of gold is so unevenly distributed, and so completely monopolized by a few nations, that the majority of the people of the earth do not possess sufficient quantities of it to purchase the agricultural surplus products of America.

There is only one other way by which foreign nations can purchase our agricultural surplus products and that is by the exchange of their surplus products for ours. This they cannot do because on account of our prohibitive tariff laws

we will not permit the products of other nations to enter the United States. Since the War between the States we have committed ourselves to the policy of protective tariffs. These tariff barriers have been raised through the course of years until the Hawley-Smoot tariff bill was passed. Under this bill we effectually stopped the importation of foreign products to America. The example furnished by this measure was rapidly followed by other countries until today the exchange of commodities, products, and goods between nations is practically prohibited.

It seems to me apparent that we must reach one of two conclusions in the United States. We can adopt a purely nationalistic policy in reference to agriculture; this means that we must by legislation restrict and limit our production to domestic needs and consumption. If we do this, we must sacrifice the agricultural sections of the West and South in favor of the industrialism in the United States. If we do that, we drive from agricultural pursuits millions of people now dependent upon farming for a livelihood, and they will be compelled to find other means of subsistence. Is the industrialism of the Nation prepared to absorb this addition to its population? When we consider the millions of unemployed in the industrial sections of the Nation, the answer must be "no." If industrialism is unable to employ these people, what will become of them? The alternative seems to be the dole.

So much for the policy of adjusting agricultural production to the domestic needs of our people. The other alternative is the lowering of our tariff barriers in order that foreign nations may import to the United States sufficient quantities of their own products to enable them to purchase ours.

Although we from the agricultural South and West are firmly convinced and determined that the tariff barriers must be lowered, the task is not as simple as it appears. After we initiated the vicious policy of prohibitive tariff rates, other nations retaliated by doing the same thing. The problem is, therefore, how to undo what has been done. The lowering of our own tariff barriers without reciprocal action on the part of other nations would only result in a tremendous increase in our imports, with no appreciable addition to our exports. In other words, other nations would flood us with their products, while their tariff barriers would prevent us from doing likewise. For this reason, the administration is attempting to formulate a policy of reciprocal tariff treaties, concessions, and agreements. The success of this policy is dependent upon the degree of intelligent co-operation which we may receive from other nations. There are so many complicated factors that enter into the success of this program that it is difficult to predict how long it will take to carry it out. Our experience in world-wide disarmament does not afford much occasion for optimism. Not only will we have to secure the cooperation of other nations but we will have to overcome the determined opposition of many industries and sections of this country that will oppose every attempt to reduce the tariff rates. Industries, labor, and many interests have become adjusted to the present policy of prohibitive tariffs. They will, therefore, resist to the bitter end any attempt to reduce tariffs so as to permit the importation of foreign products and commodities.

I am not saying that the lowering of our tariff barriers is not advisable and necessary. I am heartily in favor of it. What I am saying is that at best it will be slow and difficult. In the meantime we are producing agricultural surpluses; we are depressing the domestic prices of all farm products. This not only impoverishes the agricultural sections of the Nation but it also makes it impossible for the farmers and those dependent upon farming to purchase the products of industry.

Mr. Speaker, it is my opinion that this bill will provide a method whereby we can dispose of our agricultural surplus without waiting until the gold stock of the world is redistributed or until tariff barriers are lowered. What does this bill propose to do? Nothing radical. We are not taking any money from the Treasury of the United States and buying silver. We are not straining the credit of this Govern-

ment to purchase silver. We are merely recognizing the money now used by more than one half of the population of the earth. There are 11 billion ounces of monetary silver in the world according to the best estimates. That silver is reasonably well distributed. Of course, the greater part of it is in the Orient, but most of the nations of the earth have, or can secure, a reasonable supply of silver. The world price of silver has been abnormally depressed on account of the unwise actions of certain governments.

Our committee conducted exhaustive hearings over a period of 3 years on this subject, and it is admitted by nearly everyone that the low price of silver is largely due to foolish governmental action. I shall not discuss the demonetization of silver because this is a subject that has been discussed from every possible angle over a long period of time. Suffice it to say in this connection that in 1696 England fixed a ratio between gold and silver of 16 to 1. France and most of the other countries had a ratio of 15½ to 1, and therefore silver drifted to France and gold to England. This contributed to the demonetization of silver in England, and in 1873 we followed the example. In 1871 Germany, taking advantage of the receipt of a considerable sum in gold from the payment by France of the indemnity of 200,000,000 pounds imposed on her after the Franco-Prussian War, adopted the gold standard. The demonetization of silver by the actions of governments brought about the decline in the purchasing power of silver. But even though it had been demonetized by a number of leading nations, silver was recovering on account of the persistence with which many millions of people clung to it as a storehouse of value and medium of exchange. This recovery might have been completed had it not been for the action of the British Government in forcing India off the silver standard and compelling her to melt up her silver coins and place them as bullion in the treasury.

The Secretary of the Treasury of India was given the authority to sell any quantities of such silver at any price and at any time that he deemed it advisable. Four hundred million ounces of silver were withdrawn from circulation under that process. India began to sell this melted silver as bullion on the markets of the world, with the consequence that she destroyed the purchasing power of silver. When India started to sell silver in 1928, she had about 400,000,000 ounces in the treasury. After selling about 140,000,000 ounces, she still has about 400,000,000 million available for sale. In other words, she is acquiring this silver by withdrawing it from circulation. Although India is not selling such a great amount of silver, nevertheless the very fact that she has a large supply on hand and that her secretary is authorized to dump any part of it at any time and for any price upon the markets of the world, exerts a depressing influence upon the world price of silver.

According to the Director of the Mint, whose report I have here, the action of certain governments in clipping their silver coins and selling the clippings as bullion, the action of certain governments in decreasing the amount of their subsidiary coin, and the equally destructive acts on the part of other governments, produced a tremendous depression in the price of silver, with the result that silver-using countries are no longer able to buy the products of American industry and American agriculture.

Let it be emphasized at this point that the "oversupply" of silver was not caused by "overproduction" as is stated by those who have not taken time to examine the facts. In the past 100 years, the world silver production was 10,658,588,000 ounces. In the same period the production of gold amounted to 931,645,000. The production of silver was 11.4 times that of gold. Eighty percent of the silver production of the world is a byproduct in the production of other metals, such as gold, copper, lead, and zinc. Therefore, even should silver rise in value until it reached a parity of 16 to 1, there is no probability of any overproduction of silver. The increased price of silver without a corresponding increase in the price of the other metals with which it is associated would not justify increased production. To those who charge that this bill will bring about

an overproduction of silver and that we will be flooded with silver, may I point out that the maximum production of silver in the world at all times was only 260,000,000 ounces in a year.

As I have previously said, the abnormal low price of silver caused by the ill-advised actions of certain governments has made it impossible for silver-using countries to purchase our surplus products. The great fall in the gold value of silver has led to the impoverishment of the silver-using countries of the East, particularly India, where the ancient habit of the people has been to keep their small savings in silver, and, above all, China, which has remained on the silver standard. Since silver is used by more than one half of the population of the earth, we must restore it to its normal purchasing power in order to bring the world onto a single international monetary standard and to so increase the metallic bases of currency as to give the world a monetary standard far less liable than gold by its too severe and violent fluctuations in purchasing power.

As I have said, the silver-using countries cannot purchase our products with their silver money because, through the process of exchange of their money for gold, they are compelled to pay too much for our products. An automobile which costs \$600 in this country will cost the Chinaman about \$3,000 in his own money on account of the low price of silver.

What we propose to do under this bill is to permit silver-using countries to pay for our products with silver. This is not a 16 to 1 bill. This is not the act of taking the money of the people of the United States and buying silver. We have on hand more than 11,000,000 bales of surplus cotton. We have on hand millions of bushels of surplus wheat. Our tobacco, corn, hogs, rye, barley, and much of our agricultural products must be sold on the markets of the world in order for western and southern agriculture to survive. If we will say to foreign nations that have silver and who need our products, "We will accept in payment for this surplus your silver", then they will agree to trade with us.

It is said by the opponents of this bill that this will constitute dumping. Why? They say because you will allow this board that is to be created to accept the silver of any nation at 25 percent above the world market price. Therefore they say this is a process of dumping. That is not true, because all we propose to do is to allow a reasonable price for silver and restore its normal purchasing power.

The price of silver is now depressed by abnormal conditions. It has been lower in the past few years than ever known in the history of the world. All we propose to do is to give to these people a reasonable price for their silver. It is admitted by everyone who has studied the subject that if we could remove from the markets of the world a sufficient quantity of silver and thereby reduce the "oversupply" coming from unnatural sources, silver would be stabilized at a normal price. This bill not only promises us to remove this oversupply from the markets of the world, but in doing so it enables us to dispose of our surplus products, retain our dominant position as an export nation, and make agriculture profitable in the Nation. As I have said, the supply of silver is definitely limited by nature. Since only a small portion of silver comes from purely silver mines and most of it is a byproduct, there is no danger of any great overproduction. Therefore, stabilizing silver, the production of which is limited by nature by removing a sufficient quantity from the markets of the world, is an entirely different proposition from our futile attempt to stabilize the price of cotton and wheat by undertaking to store in warehouses the surplus.

But assuming that we pay the maximum 25 percent above the world market price of silver, and assuming that the quantity of silver which we acquire through this process is either not sufficient to maintain its increased price or that overproduction neutralizes the effect of the action, have we lost anything? Even if we get a billion ounces of silver and accept it at 60 or 75 cents an ounce and issue certificates against it, and even if the price of silver eventually declines below the price at which we accepted it, and even if some

day we return to redemption and have to make good the difference between the world market price and the price we agreed to accept it: certainly it would be worth the difference to dispose of our agricultural surplus products and retain the markets of the world for the benefit of our producers. Even if the worst should happen and this bill should amount to no more than a subsidy, can anyone say it would not be worth \$400,000,000 to export \$1,600,000,000 worth of agricultural surplus? If the time should ever come that we would have to make good that \$400,000,000, it would cost us considerably less than our present expensive program of paying the farmers for plowing up their crops or limiting production. For less money we will be keeping people employed and retaining the markets of the world, and we will not have to resort to the harsh and undemocratic principle of dictatorship and discipline that is contrary to the genius and spirit of our Constitution. [Applause.]

You gentlemen who are opposed to the reduction of our tariff rates and schedules should certainly agree to some plan that will give to agriculture the advantages that industry now enjoys as the result of high tariffs. Under this plan the Government will lose nothing, because, as I said, when we remove a billion ounces of silver from the markets of the world, the price of silver will be stabilized at a normal price. Many people talk about silver as a commodity. You understand that I am not interested in silver simply to help the silver States. I have no silver mines or interests in my district, and I do not own one dollar of silver stock in the world. My interest in silver is confined to the benefits that will flow to agriculture and industry by recognizing it as money. You gentlemen who speak of silver as a commodity, let me remind you that silver was money in the world long before gold was ever heard of. Let me further remind you that silver was the money of this Republic for many decades until 1873; and let me further remind you of the fact that today in the United States one twelfth of your currency is silver. Let me further remind you of the fact that the silver dollar which is readily exchanged for a gold dollar and which is on a parity with every other sort of dollar in this country has only about 25 cents' worth of silver in it.

Mr. SIROVICH. Mr. Speaker, will the gentleman yield?

Mr. DIES. I yield.

Mr. SIROVICH. Why does the gentleman limit the application of his bill to agricultural surpluses? Why not apply it against industrial, commercial, and mineral resources?

Mr. DIES. The reason is because industry is protected by the tariff. Industry enjoys the advantages of the tariff, but the tariff is not effective in the matter of agricultural surpluses. [Applause.]

Mr. WOODRUFF. Mr. Speaker, will the gentleman yield?

Mr. DIES. I yield.

Mr. WOODRUFF. Does not the gentleman propose to make the provisions of his bill precisely the same as those of the McNary-Haugen bill, or at least is not his bill intended to carry out the purpose expressed in the McNary-Haugen bill and the debenture plan of the National Grange?

Mr. DIES. No; I do not think so.

Mr. WOODRUFF. The idea behind those propositions was to move the agricultural surpluses.

Mr. DIES. That is true; but this does not proceed by the same method.

Mr. WOODRUFF. No; I said through a different method.

Mr. DIES. There are 11,000,000,000 ounces of silver in the world. Eighty percent of silver is produced as a byproduct of copper, lead, zinc, and other minerals. The gentleman from the silver States know that even if silver were selling at \$1.29, this price would not be sufficient to justify an increase in the production of silver. [Applause.]

Mr. MARTIN of Colorado. That was proved in 1920 and 1921.

Mr. DIES. The silver production is limited. Therefore, there can be no wild and uncontrolled inflation if silver were remonetized under the terms of this bill, because we are prepared with agricultural surpluses to purchase all the

silver in the world, if you want to go that far, and still do no injury to American finance and American credit.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. DIES. I yield.

Mr. RICH. The gentleman made the statement that industry is protected by the tariff.

Mr. DIES. Yes.

Mr. RICH. Will the gentleman name five commodities the farmer produces which are not protected by the tariff?

Mr. DIES. The gentleman knows as well as I do that in the case of agricultural surpluses, cotton, wheat, and all other crops, a tariff rate of even 500 percent would not be worth the paper it was written on but would be merely a subterfuge.

That man is indeed an optimist who imagines that we will soon resume our former trade with Europe.

Europe today is what she was in the days of yore—quarrelsome, militaristic, grasping, ever ready to seize every advantage from the weakness or innocence of other countries. It is high time that we should profit from the sad experiences of the past. Let us not deceive ourselves with the false illusions of hope. Europe has no intention to disarm, either economically or otherwise, her professions to the contrary notwithstanding. Not in our generation will we regain our trade with Europe. Defaulting debtors never trade with their injured creditors, unless necessity or self-interest compel them to do so. Neither would the cancellation of the war debts restore normal trade relationships. She would only despise us for acceding to her unjust demands, and the consciousness of her breach of faith would only strengthen her dislike for America. Our commercial future lies in the Western Hemisphere and the Orient. It is our right to enjoy the majority of the trade of North, Central, and South America, because it is to us that all these countries would be forced to turn for help in case of European aggression. There is enough potential purchasing power in the countries of these continents to absorb our surplus products. An idiotic and fatal fascination for Europe has caused us to neglect our own hemisphere, but now we must develop our natural trade territories. [Applause.]

If we accept silver at a reasonable price in exchange for our agricultural surpluses, we can also develop a tremendous trade with the Orient. We must develop these natural trade territories unless the Congress is prepared to commit itself to the doctrine of economic isolation, which means the forcible destruction of the South and West, which means driving from the farms of the South and West millions of people who today make their living tilling the soil. Can you people of the East take care of this surplus population? Are you prepared to put this surplus population to work in your factories and industries?

Mr. MAY. Mr. Speaker, will the gentleman yield.

Mr. DIES. I yield.

Mr. MAY. Suppose in the exchange of these products the Government of the United States acquires 5,000,000,000 ounces of the 11,000,000,000 ounces of silver in the rest of the world and that silver should then depreciate 25 percent, how would we escape the loss?

Mr. DIES. In the first place, if we acquire 5,000,000,000 ounces of silver and deposit it in the Treasury of the United States, instead of silver depreciating 25 percent it will, in my judgment, increase more than 25 percent. At the present time we do not redeem even gold certificates. [Applause.]

[Here the gavel fell.]

Mr. SOMERS of New York. Mr. Speaker, I yield 5 additional minutes to the gentleman from Texas.

Mr. DIES. We do not even redeem gold certificates today. But assuming we do go back to redemption, and assuming that we do acquire 5,000,000,000 ounces of silver from the markets of the world, and that it is put into the Treasury of the United States, silver will go to \$2.58 an ounce. This statement can be proven by mathematical calculation.

Mr. MAY. Then would be a good time to market the silver. Is there anything in the bill which authorizes the

Secretary of the Treasury to market it advantageously; or has he that authorization already?

Mr. DIES. He can market it if he wants to, provided he keeps on hand sufficient silver for redemption purposes.

Mr. MARTIN of Colorado. Mr. Speaker, will the gentleman yield?

Mr. DIES. I yield.

Mr. MARTIN of Colorado. Under the terms of this bill he can market it.

Mr. DIES. As I stated before, under existing law he would have the right to market the silver, but it is my opinion that he would have to keep on hand sufficient silver to make good the currency issued against it.

Mr. MARTIN of Colorado. If the gentleman will yield further, I shall support the gentleman's bill, but I want to call attention to section 6, which is involved in the question just asked by the gentleman from Kentucky [Mr. MAY]. Section 6 provides that the amount of premium or excess above the world market price which the board is authorized to pay for products sold to foreign buyers shall not exceed \$400,000,000 a year. I have recently conducted a considerable investigation into the quantity of silver available in the world in the event the United States should launch a world silver-buying program, and I have been wholly unable to find where the United States can get a billion ounces of silver even though she paid \$1 an ounce for it. In this connection let me point out that even though we paid 50 cents an ounce in excess, it would take 800,000,000 ounces to take up the \$400,000,000; and even if we paid 25 cents an ounce, which amount we would not pay until silver was \$1 an ounce, it would take 1,600,000,000 ounces; and I have not been able to find where we can get even 800,000,000 ounces.

Mr. DIES. Mr. Speaker, let me say this is not a bill by which we propose to take money out of the Treasury and buy silver. Whenever we acquire an ounce of silver under the terms of this bill, we export agricultural surpluses which depresses the domestic price of our products. This bill provides an intelligent method by which we can deal with this surplus instead of the present crude method of reduction and destruction. [Applause.]

In conclusion, Mr. Speaker, may I say that this bill was not conceived by an academic mind. It was not formulated by college professors who learn their philosophy in a third-story attic and not from actual contact with flesh-and-blood men. It is not written in the obscure language and meaningless phrases of the technical draftsman. There is nothing experimental or revolutionary in the plan suggested. It does not involve the violation of the Constitution or the abridgment of any political, personal, or economic right. It does not constitute any sacrifice of fundamental American principle. Nor does it mark any departure from the ancient landmarks of the fathers. No visionary economist has placed his seal of approval upon it. It is not sponsored by any organized bloc or selfish group. It merely seeks to provide a sane, sensible, and common-sense method of disposing of our agricultural surplus products in a normal and constructive manner. It is merely the recognition of the money of more than one half of the world as payment for the surplus of our soil and labor. The principal purpose of the bill is the disposition of surplus products, but as an important result of this exchange we increase and stabilize the purchasing power of silver and put into the hands of millions of producers a new supply of honest money backed up by an adequate metallic reserve. [Applause.]

Mr. ELTSE of California. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, it has been properly said that this bill is one of the most important bits of legislation coming before this body. It is very far-reaching. It is dangerous. I submit that it is a monumental folly. I am not going to stand here and take the position that a certain gentleman on this floor took the other day when he stated that there are only 12 Members in this House who know anything about money. To make that statement he must himself have been convinced

that he knew much about it, otherwise he would not have been able to appraise the intelligence of the Members whom he classified as being among the chosen 12. This bill, H.R. 7581, will not bear the cold logic of analysis or the searchlight of examination. I have gone to the trouble of making up a table, which will show the operation of this bill. Much of what I say will be tied into the table.

Permissible premium (25 percent)..... \$400,000,000
100 percent, or market price of silver delivered..... 1,600,000,000

(1) World market value of products purchased in United States.
(2) Base upon which \$2,000,000,000 silver certificates issued. } 2,000,000,000

INFLATION! SOUND MONEY?

Two billion dollars in silver certificates versus \$1,600,000,000, world market price of bullion.

	Debit	Credit
REDEMPTION		
United States in account with holders:		
Certificates issued.....	\$2,000,000,000	
Bullion at world market price.....		\$1,600,000,000
To balance.....		400,000,000
Total.....	2,000,000,000	2,000,000,000
REISSUANCE (SEC. 10)		
Certificates reissued.....	2,000,000,000	
To balance.....		2,000,000,000
Total.....	2,000,000,000	2,000,000,000

Under section 6 of the bill you will see that the maximum premium which is permissible for the purchase of exportable agricultural surpluses is \$400,000,000. If this \$400,000,000 is the permissible premium, then the 100-percent market price of silver taken in exchange for our surplus would be \$1,600,000,000. Strangely enough, this \$2,000,000,000 represents the market value of the products purchased. In other words, the foreign nations that are supposed to come into our markets and buy our exportable surplus will get \$2,000,000,000 worth of our exportable surplus for an actual payment in silver bullion of \$1,600,000,000. They get this at a discount of 25 percent.

The bill provides that silver certificates shall be issued on what base? On a base of the \$1,600,000,000 of bullion purchased, plus the 25-percent premium, which means that silver certificates will be issued to the extent of \$2,000,000,000 on \$1,600,000,000 value of bullion. We have heard a lot about watered stock. There is a lot of it right here. There are \$2,000,000,000 of silver certificates issued against \$1,600,000,000 of silver bullion, or, in other words, there is \$400,000,000 worth of watered stock.

There is a provision in the bill for redemption. That will be found in section 12. In order to demonstrate to you the operation of the redemption feature, I have set this up in the form of a double-entry book account. Under it the United States will be in account with holders of these silver certificates on the debit side to the extent of \$2,000,000,000, and on the credit side bullion will be credited to the extent of \$1,600,000,000. Debit the bullion at the world-market price, as provided by the terms of the bill, which is \$1,600,000,000. That is the price at which it was purchased in the first instance. In order to balance the two sides, we have to put on the credit side of the ledger \$400,000,000. In other words, the United States upon redemption of these silver certificates will have to go down into their Treasury to the extent of \$400,000,000.

Mr. SIROVICH. As a subsidy to agriculture.

Mr. ELTSE of California. As a subsidy to agriculture on top of your processing tax.

Under section 10 of the bill it is provided that the silver certificates issued under this act or any silver certificates reissued shall be legal tender, and so forth; and—

When accepted by the Government shall be issued and in all respects shall become a part of the lawful money of the United States.

Under the redemption clause of the bill there is no provision for cancelation and retirement of these silver certificates.

What situation do we have on reissuance? We have silver certificates reissued in the amount of \$2,000,000,000, and again I have set this up in the form of a book account. There is a reissuance of \$2,000,000,000 against a credit of what? Nothing, because the silver bullion that went in behind the certificates in the first place has been withdrawn and paid out to redeem the silver certificates, and the United States Treasury is in the red to the extent of the \$2,000,000,000. This operation may be repeated ad infinitum. I see some Members smiling. I take that as an indication that they are not able to follow the argument. As I say, the operation can be repeated ad infinitum. What will be the result? There will be a draft on the United States Treasury until we pass into bankruptcy, and all we will have in the end, Mr. Speaker, will be the inscription on the silver dollar, "In God we trust." That will be the remnant of our monetary structure.

This is nothing but a raid on the Treasury.

May I point out the additional feature that the exportable surpluses are supposed to be exchanged for silver from foreign countries. What will be the real operation under this bill? The silver-mining industry, the silver speculators, and the silver operators of this country will ship their silver to the Orient—China, India, and Japan—buy our exportable agricultural surpluses, take them over to Japan, India, and China, sell the products, and reap a magnificent profit in the premium of 25 percent. With provision for a minimum premium of 10 percent and a maximum premium of 25 percent, I say that the premium on the purchases will be 25 percent if the mining interests, the silver operators, and the silver speculators have anything to say about the matter. They will get it just as high as they can. What is the object in paying to the purchasers of our exportable agricultural products, which are taken in the normal course of trade, as they have been in the past, a premium of 25 percent on the exportable surpluses that go to other nations at the present time?

It is a pretty racket. It is a subsidy, as my good friend, the gentleman from New York [Mr. SROVICH] suggests. It is a racket for the silver operators, for the silver speculators, and it will be a racket for banks to be developed in Japan and in China and in India, and elsewhere.

There is another thing about this bill I want to point out to you. If you will refer to line 18, page 2, section 2—and I want you to get this—

The board is authorized, through the foreign agents above mentioned, to enter into option contracts.

Please get that.

[Here the gavel fell.]

Mr. ELTSE of California. Mr. Speaker, I yield myself 5 additional minutes.

Option contracts. Now, keeping this in mind, please refer to section 3:

The board is further authorized to purchase such agricultural surplus products as may be deemed necessary to fulfill option contracts with foreign buyers or to make deliveries.

And a little further on the board is authorized to employ any governmental agency of the Agricultural Department in securing the amount of agricultural surplus products necessary to make such deliveries and to enter into contracts with the producers of such products as may be necessary for the purpose of carrying out this act.

In the first instance, under section 2, you have option contracts and the foreign buyers may buy under option contracts which are not binding. They may take the surpluses if they want to and if they do not want to, they can tell you to go to.

Mr. JOHNSON of Texas. Will the gentleman yield?

Mr. ELTSE of California. Not just now. A little later I will yield.

Under section 3 the contracts that are there authorized to be entered into with the producers are binding contracts and are not option contracts.

I have heard on the floor of this House, as well as before I came here, the Federal Farm Board cursed and damned and discussed and repudiated. I say to you that under the provisions of this bill you are setting up another Farm Board that will buy these exportable surpluses and accumulate them in order to provide another subsidy for the agriculturists of the United States.

Mr. SIROVICH. Will the gentleman yield?

Mr. ELTSE of California. Yes; I will.

Mr. SIROVICH. We have been granting subsidies this morning to the cotton growers and we have given subsidies to the railroads and to the merchant marine. Why can we not grant a subsidy to the mineral resources or interests of the country in the same way?

Mr. ELTSE of California. They are trying to do that now.

Mr. PARSONS. Will the gentleman yield?

Mr. ELTSE of California. Yes; I yield.

Mr. PARSONS. The gentleman understands that in the silver dollar at the present time, upon which is printed "In God we Trust", there is only about 30 cents worth of silver at the world price.

Mr. ELTSE of California. Yes.

Mr. PARSONS. But the gentleman would like to own and possess 1,000,000 of them. Would not the gentleman like to have 1,000,000 of these 2,000,000,000 silver dollars he is talking about? [Laughter.]

Mr. ELTSE of California. I would rather have a silver dollar that is worth 30 or 40 cents, or whatever you say it is worth at the present time, than to have the same number of dollars 6 months or 1 year from now, after billions of dollars worth of silver is poured into this country and the value of silver depressed.

That is the history of silver production throughout the entire world. Every time the price of silver increases production increases, which, in turn, is followed by a depression in the world market price of silver. If you want to glut the market of America with silver, you will vote for this bill. If you want inflation of the most radical and rabid kind, you will vote for this bill.

Mr. MARTIN of Colorado. Will the gentleman yield for a suggestion?

Mr. ELTSE of California. No; I do not yield for a suggestion; I yield for a question.

Mr. MARTIN of Colorado. I wish the gentleman would put the figures in his speech to sustain the statement he has just made.

Mr. ELTSE of California. Is this a question?

Mr. MARTIN of Colorado. Yes; this is a question. I want to ask the gentleman to put in his speech the figures that will sustain the statement he has just made regarding the production of silver.

Mr. ELTSE of California. I will leave that for the gentleman's cohorts.

Mr. MARTIN of Colorado. The gentleman ought to have the figures before making a statement of that sort.

Mr. O'MALLEY. Will the gentleman yield?

Mr. ELTSE of California. Yes.

Mr. O'MALLEY. In the earlier part of the gentleman's argument he pointed out that what we were doing was actually selling our farm products at a 25-percent discount in order to get rid of them. Does not the gentleman think it is good business that we sell them for 25 percent in order to prevent destruction of them?

Mr. ELTSE of California. This is providing a 25-percent subsidy in addition to what they have already.

Mr. JOHNSON of Texas. Will the gentleman yield?

Mr. ELTSE of California. Yes.

Mr. JOHNSON of Texas. I understand the gentleman is a member of the committee that considered this bill.

Mr. ELTSE of California. I am.

Mr. JOHNSON of Texas. And I also understand the gentleman did not vote against the bill when it was considered in committee.

Mr. ELTSE of California. Yes; I did.

Mr. JOHNSON of Texas. Then I have been misinformed. Mr. ELTSE of California. I voted against both of these bills—bill No. 7581 and bill No. 1577.

[Here the gavel fell.]

Mr. SOMERS of New York. Mr. Speaker, I yield 10 minutes to the gentleman from Oklahoma [Mr. SWANK].

Mr. SWANK. Mr. Speaker, January 18, 1934, the Committee on Coinage, Weights, and Measures reported to this House the President's money-control bill, which became a law on the 30th day of January 1934. I stated on this floor at the time that bill was under consideration by our membership that it went further and was more far-reaching than any bill considered in Congress for many years. In the President's message recommending that bill to Congress, January 15, 1934, concerning silver, he said:

Governments can well, as they have in the past, employ silver as a basis for currency, and I look for a greatly increased use. I am, however, withholding any recommendation to the Congress looking to the further extension of the monetary use of silver, because I believe we should gain more knowledge of the results of the London agreement and of our other monetary measures.

On the 16th day of March 1934 the Committee on Coinage, Weights, and Measures reported to this House for its consideration H.R. 7581, known as the "Dies silver bill." Our able and distinguished Speaker, Hon. HENRY T. RAINEY, has been advocating the remonetization of silver for many years and has been one of its most consistent and forceful advocates. The Speaker has most appropriately permitted the Members of this House to bring that bill up for consideration at this time. The committee has held extensive hearings on this bill and other silver bills.

This bill is written in plain language and is easily understood. Section 1 of the bill provides for the establishment of an agricultural surplus exchange board, consisting of the President, the Secretary of the Treasury, the Secretary of Commerce, and the Secretary of Agriculture. Section 2, directs the board, through our commercial attachés and Government agents in foreign countries, to sell the agricultural surpluses of this country to foreign countries and accept in payment therefor silver coin or bullion at such price per ounce, not in excess of 25 percent of the world market price of silver, as may be agreed to by the board and the foreign buyers. Section 3 directs the board to purchase agricultural products as may be necessary to fulfill option contracts with foreign buyers, and to employ any governmental agency of the Department of Agriculture to carry out the purpose of the act.

Section 4 authorizes and directs the board to deposit the silver bullion or coin received in exchange for products sold to foreign buyers with the Secretary of the Treasury, and he shall immediately cause to be issued against such silver bullion or coin, silver certificates based upon the value per fine ounce which was agreed upon by the board and the foreign buyers subject to the 25-percent limitation above the world market price for silver.

Section 5 directs the board to authorize farmers' cooperative marketing associations to sell American agricultural surplus products abroad and accept silver bullion or coin in payment thereof in the same manner as the board can make such sales. Section 6 fixes the maximum premium above the world market price which the board is authorized to agree to as payment for such products as \$400,000,000 per year. Sections 7, 8, 9, 10, 11, 12, 13, 14, 15, and 16 provide for the issuance of the silver certificates, the denominations in which they shall be issued, the storage of the silver bullion, redemption of the certificates, making them legal tender for all debts, public and private, and rules and regulations to be provided by the board.

Mr. Speaker, in 1920 the total exports of the United States amounted to \$8,100,000,000, and in 1933 the amount was \$1,500,000,000. In 1920 we exported agricultural products to the amount of \$3,466,619,819, and in 1933 the amount has

been reduced to \$600,000,000. Most of our exports went to Europe and in order to increase them to much extent we must increase our trade with the countries of the Orient, as China, India, and Japan, which are on a silver basis. These countries need our agricultural products, but they cannot buy them with gold, for they have no gold; they cannot exchange them with us by reason of our high tariff, and they cannot buy our products with their silver money by reason of the exchange of their silver for gold to pay us, which makes the prices too high in payment with their silver.

The enactment of this bill to be followed with further silver legislation, will open the foreign markets of the Far East for our surplus products, and lessen the likelihood of further farm-control production. These countries need our goods for their people and we need their markets for our people.

The world production of silver from 1493 to 1931, inclusive, amounted to 14,960,313,580 ounces. From 1792 to 1930 there has been produced in the United States 3,167,273,554 ounces of silver. In 1932 the United States produced 23,980,773 ounces of silver and the first 11 months of 1933 produced 19,393,000 ounces. From the best figures the committee could get it is believed that there are about 11,000,000,000 ounces of silver in the world for monetary purposes, and about 7,000,000,000 ounces of that amount are in China and India.

The money kings and the captains of industry, of course, do not want this bill, for like the gold control bill enacted a few weeks ago, their clutches are further removed from the Treasury and the control of the money of our country. The silver certificates issued under the provisions of this bill cannot be called "flat" or "printing press" money in order to scare the people, for back of each silver certificate there will be a sufficient amount of silver to redeem the certificate. There is now in circulation in the United States silver certificates to the amount of \$406,918,544, and we have not heard these silver certificates described as "flat" or "printing press." There is in circulation now standard silver dollars to the amount of \$29,337,523.

Mr. Speaker, silver was our unit of money long before gold was made our standard. The Continental Congress of 1786 adopted the silver dollar as our unit of value, and it contained 375.64 grains of silver. The silver dollar now contains 371.25 grains of pure silver. This metal continued to be our standard unit of value until it was demonetized by the act of February 12, 1873. We know how industry and business declined right after that law was passed. The price of farm products and other commodities began to advance as soon as this bill was reported favorably by your committee. The remonetization of silver will help bring a new era of prosperity in this country. This is the first time we have had an opportunity to vote on silver, and we anxiously await the result, and hope the bill will be enacted into law this session of Congress. [Applause.]

Mr. ELTSE of California. Mr. Speaker, I yield 10 minutes to the gentleman from Connecticut [Mr. BAKEWELL].

Mr. BAKEWELL. Mr. Speaker, I can well understand why the silver-producing States, observing the lavish way in which the Federal Government has been pouring out money by the hundred million to the agricultural States as a bounty or as a subsidy, with the purpose of raising prices of farm products, might be tempted to seek a Government subsidy also in order to raise the price of silver, and might find justification in the fact that there seems to be a prevailing obsession in certain quarters in favor of high prices for everything. However, if this is the objective, if this is what you seek, I insist that you should seek it by honest and straightforward methods and not by the method of indirection, which is involved in this absurd bill. This is a thoroughly deceptive measure. The gentleman from Texas [Mr. DIES], who introduced the bill, proved to be an excellent showman, if I may use that term in no invidious sense, because, after all, what is proposed in this measure is a certain feat of legerdemain, carried on on a world-wide basis, whereby you pull rabbits from hats, and goldfish from tail pockets; and the gentleman succeeded very well, it seems

to me, in confusing the issue and in making it appear that things were coming out of this bill that cannot possibly come out. It was clever sleight-of-hand.

Mr. CARPENTER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. BAKEWELL. Not now. This bill reminds me of an old-fashioned conundrum, which is several thousand years old. A man that was not a man threw a stone that was not a stone at a bird that was not a bird that was clinging to a tree that was not a tree. I do not know the answer. I believe, however, that the man who was not a man was a eunuch, and the bird that was not a bird was a bat, and you will have to use your imagination for the other features.

What this bill proposes is inflation that is not inflation, dumping that is not dumping; it proposes to increase the foreign purchase of our farm products by taking in payment silver that is not silver and by giving a subsidy that is not a subsidy in order to help the ever-distressed farmer and to aid the impoverished mining States. Of course, this is, without any question, dumping. What are we proposing to do? To sell farm products and take in exchange silver; and we are saying to anyone who will pay for them in silver, "We will mark your silver up 25 percent. If it is worth \$100 according to actual valuation in the world market, we will call it \$125, if you spend it for our farm products", which, obviously, means selling goods by just so much at a discount. Then we are going to bring this money that we have received back to this country in silver coin or bullion and deposit it and issue silver certificates against it, supposed to be redeemable in silver, although only \$100 of the \$125 is represented by silver actually on deposit; the rest is pure inflation. To that extent we are undoubtedly inflating. And this transaction is supposed to be completed without costing the Government a cent, just because we juggle with our bookkeeping in that fashion. It is strictly fiat money to the extent of that added 25 percent which is to be handed out as a subsidy, partly to help the farmer and partly to increase the price of silver so as to help the mining States.

I insist that we ought to be honest in these measures. You ought to have a straightforward remonetization of silver, if that is what you want, and not seek to reach your goal by this indirect and deceptive method. But you are not going to help agriculture, as you suppose, by this measure, because underlying the whole proposal is a false premise. There simply is not silver enough to accomplish this result.

What are you proposing to do? You are proposing to take your surplus product and sell it abroad and bring back to this country the silver received for it. But if you will turn to the testimony of the experts you will find they all agree that the amount of silver which can be turned over to us is very limited, and when that supply is exhausted what are you going to do? There is no method whatever of meeting this situation that we have confronting us now, so far as the farmer is concerned, except, first, by a better balance between supply and demand in this country, and, second, by such extension of foreign trade as is possible. There is no other way of helping the farmer. This bill is a delusion and a snare. It ought not to pass.

I observe with interest that the administration has not sent down its orders as yet, so that gentlemen on the Democratic side are still free to use their own judgment on this matter. They signed on the dotted line this morning after the warning came out in the morning newspapers and the Democratic black list was published.

Mr. CULKIN. Mr. Speaker, will the gentleman yield?

Mr. BAKEWELL. Yes.

Mr. CULKIN. Is it not a fact that the Secretary of the Treasury, Mr. Morgenthau, has indicated that he is actually in opposition to this measure?

Mr. BAKEWELL. It was so stated in the newspapers, but was denied by the gentleman who introduced this bill. I have no direct knowledge about it.

Mr. ELTSE of California. It was announced in the committee—I do not know whether the gentleman was present or not—that Mr. Morgenthau, the Secretary of the Treasury,

said he did not know anything about it, that they were making a study of it, and did not know when they would be ready to report on it.

Mr. MARTIN of Colorado. Mr. Speaker, will the gentleman yield?

Mr. BAKEWELL. Yes.

Mr. MARTIN of Colorado. I am inclined to agree with the gentleman's observation that there is not sufficient silver available to accomplish the objects of this bill, and in connection with that admission I ask the gentleman what his real objection is to undertaking remonetization of silver?

Mr. BAKEWELL. That is another story. It would require much more time than I now have at my disposal to answer that question.

Mr. DOCKWEILER. Will not the result of this bill bring us back to the experience that we had in the silver purchase act that Grover Cleveland had so much trouble with trying to redeem paper in silver? The people will not redeem in silver; they want gold, because we are only temporarily off the gold standard.

Mr. BAKEWELL. Of course, you must remember that this administration has by royal decree canceled all the laws of economics, including Gresham's law. That also has been thrown out of the window.

I would say in conclusion that it seems to me that this bill is a roundabout way of trying to accomplish two results, and that it will accomplish neither, and that the bill ought to be defeated in the interest of honesty and sound legislation.

The SPEAKER pro tempore (Mr. LUNLOW). The time of the gentleman from Connecticut has expired.

Mr. FIESINGER. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, it is unfortunate that we cannot have a longer time, although I appreciate the time we are having here today, to discuss thoroughly the question which I think is most important to this country and the world today.

I notice in the New York Times of yesterday an article which reads:

Bankers disagree on economic cure.

This comes from the League of Nations who assume to know all about gold, and they say that they are dumbfounded and baffled because of the economic conditions of the world as they have been for the last 5 or 6 years. In other words, they are not able to suggest a remedy for these deplorable conditions. I have proposed a bill, with the aid of the hearings of my committee, and under the counsel of my economic adviser, which I believe provides a remedy. I indulge the hope that this bill will soon be brought before this House for criticism and debate. So far I have heard no serious criticism as to it. I am confident it solves this depression; that it cures the gold disease.

I have been asked several times today whether the bill we are now considering, the Dies bill, is in conflict with this measure I have introduced in the House and which was reported out by the Committee on Coinage, Weights, and Measures a week ago. I say to the House there is no conflict between these two measures. I want to explain, as I understand, what is to be accomplished by the Dies bill.

The Dies bill provides that our surplus farm products may be sold in the markets of the world and silver be taken therefor. The board that is set up in the bill may allow a premium so that those farm products may have a better price. The bill that I sponsor is founded upon an entirely different principle. I say to the House, lest there be some misgiving about this, that I am supporting the Dies bill. I say there is no conflict between the two bills.

Bearing in mind, now, what I said about what the Dies bill will accomplish, I am going to read the introduction of my bill, and I think you will note the difference between the two measures if I read three or four lines.

The bill I sponsored, H.R. 1577, is:

A bill to preserve and protect the gold standard, through the establishment of an auxiliary monetary reserve of silver and the issuance of silver certificates, payable in their gold-value equivalent, and under such regulations as will provide protection to gold from being cornered, and protection from inflation in gold values during periods of excessive demands.

We are in a critical period, and, as I say, the disease which the world is suffering from today is a gold disease—extreme inflation in gold values. We are approaching this problem from the standpoint of gold. We would take the inflation out of gold and bring the purchasing power of a given weight of gold back to where it would equal its purchasing power under the commodity price index of 1926. That, as a policy, the President has sponsored. He has said we need the 1926 price level, and this House has voted in favor of that price level.

How would we tend to accomplish that under this bill? We would get silver and add it to our money supply in a way that places silver in competition with gold. That is a monetary step in the right direction. Somebody has said this afternoon that if we pass the Dies bill we will get a flood of silver. On the other hand, the gentleman who preceded me, I believe, said, if I quote him correctly, that there is not enough silver in the world to accomplish this object. Am I correct in that statement?

Mr. BAKEWELL. Not enough silver which the nations can ship. The figures given showed clearly that, for example, China, with, perhaps, 800,000,000 ounces, could export four or five million and send them out of the country. They could not ship silver out of the country.

Mr. FIESINGER. The bill that I sponsor provides for the purchase of an amount of silver limited to not exceed 1,500,000,000 ounces. This would cover a long period of years. The Secretary of the Treasury would control the purchase of silver under the law as to the amount to purchase, so long as he got to the object provided in the bill, namely, the 1926 price level.

Mr. DOCKWEILER. Will the gentleman yield?

Mr. FIESINGER. I yield.

Mr. DOCKWEILER. Is the Dies bill a temporary measure?

Mr. FIESINGER. I understand it is. I understand it is not a permanent piece of legislation. The bill that I offered is intended to be a permanent piece of legislation to restore and control the stability of gold values and, therefore, of all gold moneys.

Mr. DOCKWEILER. I would like to be corrected if my understanding is wrong, but, as I read the Dies bill, it is a permanent piece of legislation until a subsequent Congress may repeal or amend it?

Mr. FIESINGER. I do not so understand that it is. I will let the gentleman from Texas answer the question.

Mr. DOCKWEILER. Will the gentleman yield further?

Mr. FIESINGER. I yield.

Mr. DOCKWEILER. What is the gentleman's belief as to what people will do? When they hold these silver certificates, when we go back on a gold basis, as we will, will people ask for gold or silver?

Mr. FIESINGER. Under the terms of the bill, they are redeemable in either gold or silver. I do not know whether they will call for gold or silver.

Mr. DOCKWEILER. Does the gentleman remember the silver-purchasing act over which Grover Cleveland had so much trouble?

Mr. FIESINGER. I know the history of that very well.

Mr. DOCKWEILER. Does the gentleman remember how few people walked up and asked for silver as against gold, and it was optional then?

Mr. FIESINGER. If my recollection serves me right, I understand they had the right to get gold by first asking for silver.

Mr. DOCKWEILER. No; they did not ask for silver at all.

Mr. FIESINGER. And then they had to issue bonds in order to restore the gold.

Mr. DOCKWEILER. The Secretary of the Treasury was to do exactly what the gentleman's bill proposes. I do not remember the amount, but he was to purchase so many million dollars' worth of silver and issue silver certificates.

Mr. FIESINGER. It seems to me it was not less than 2,000,000 ounces a month and not over 4,000,000 ounces a month.

Mr. DOCKWEILER. I do not remember the amount, but he was to do exactly what the gentleman's bill provides.

Mr. FIESINGER. There is a difference between the two measures. In the bill I have presented, while the certificates are to be redeemed in the full gold value, that value is paid over in the form of silver, and it meets your objection.

Mr. PARSONS. Mr. Speaker, will the gentleman yield?

Mr. FIESINGER. I yield.

Mr. PARSONS. Section 4 of the Dies bill provides that these powers shall terminate on January 1, 1936; so there is a limitation in the bill.

Mr. FIESINGER. As I say, it is of a temporary nature.

Mr. DIES. And it is optional with the Secretary of the Treasury as to whether he redeems in gold or silver.

Mr. FIESINGER. He can redeem either in gold or in silver.

Mr. MARTIN of Colorado. Does the gentleman believe the United States will ever purchase 1,500,000,000 ounces of foreign silver before the price of silver reaches parity with gold?

Mr. FIESINGER. From my studies of the question I doubt whether we would have to buy or take into the Treasury 500,000,000 ounces of silver in order to reach the 1926 price level.

Mr. WOODRUFF. Mr. Speaker, will the gentleman yield?

Mr. FIESINGER. I yield.

Mr. WOODRUFF. Will the gentleman tell the House what, in his opinion, will be the effect on the speeding up of production of silver in this country and other countries of the world upon the passage of this bill?

Mr. FIESINGER. A little while ago I heard the statement made that it would immediately start the silver mines to work. Some of the greatest experts on silver in the world appeared before our committee and their testimony was that silver is a byproduct; that it comes out of gold mines, copper mines, and zinc mines; and that it would be impossible to increase the quantity of silver except that large expenditures were made to increase mining facilities; and then it could not be substantially increased over present production except in a period of about 5 years. It would take 5 years before any increased production could be had over normal production. It must be understood that I am talking about normal production.

Mr. WOODRUFF. Did those experts when they were talking to the committee have in mind the rich silver lodes in Canada?

Mr. FIESINGER. Oh, yes. I regard Mr. Francis Brownell, chairman of the board of the American Smelting & Refining Co., as one of the greatest experts in the world upon this subject. His testimony before the committee was that it would require great commercial activity to substantially increase silver production.

Mr. WOODRUFF. Long before that time the program would expire by the terms of the Dies bill.

Mr. FIESINGER. I should like to point out that those who fear a flood of silver are viewing this matter from a fixed ratio viewpoint. Under silver laws, which fix the price of silver in terms of gold, you must hold up the price you fix. That has been obviated in the use of silver here proposed.

Under the Dies bill, and also under the Fiesinger bill, there is no application of a flood of silver, nor does Gresham's law apply. That is the contribution to modern monetary improvement in method which is found in both of these bills.

The silver certificates are payable in silver at the market price, and to the amount of their gold value in silver. If you wish to assume that there might be a flood of silver, it would alter the amount of silver the certificates will call for, but it could not affect their value. The certificates will always be worth the full gold value called for on the face of the certificates.

Under this plan you make gold out of the silver you place in your reserves. You control the gold values in reserves. You control the value of gold plus gold equivalents in the

world. You have a key to control gold values. You cure the gold disease. You solve your money problem.

[Here the gavel fell.]

Mr. ELTSE of California. Mr. Speaker, I yield 10 minutes to the gentleman from Massachusetts [Mr. LUCE].

Mr. LUCE. Mr. Speaker, it is a strange fate that makes it seem incumbent upon me from time to time to take the floor in defense of the administration and the President. Once more I feel called upon to do that because, although it would be greatly to the interest of my party to have this measure become law, I prefer the welfare of my country to that of my party.

The program here presented runs counter to one the administration has been following for the last 5 months. In the course of this period it has expended an unknown amount of money in buying gold abroad in order to cheapen the value of gold. It is here proposed to spend the equivalent of a huge amount of money to buy silver abroad in order to increase its value, and I would not put the administration in the paradoxical situation of trying to lower the value of gold and in the next breath trying to raise the value of silver.

Mr. PARSONS. Mr. Speaker, will the gentleman yield?

Mr. LUCE. If I have time at the end of my remarks it will give me the greatest of pleasure to yield to the gentleman.

I hope that gentlemen will not attempt to follow the mathematical abstractions of this question, but will try to reach the pith of it, the marrow of it, the core of it, the very heart of it, which may be set forth in one sentence: It is the purpose of this bill to sell to foreign countries surplus agricultural products below cost. That is the primary purpose. We have faced that sort of thing now at almost every session in the 15 years I have had the honor to be a Member of this body; and again, and again, and again Congress has set its face against what it briefly calls "dumping". The gentleman who presents the bill says this is not dumping. If you will carefully read his statement of reasons in the report as I have—and I have read it over three times—you may get a glimmer of what he means by his rejoinder in this particular. To my mind the best explanation I can find is that from the home point of view, regarding only the money result here, he holds this is not dumping. That, however, does not concern the foreigner. If the foreigner can get his food and his cotton at a quarter less than he would otherwise have to pay, that is dumping.

Pray, of what gain is it to give our foreign competitors one half their cost of living—that being the average for food and clothing combined—one half their cost of living at one quarter less than the expense to the wage earners of this country?

Why give the employer of labor in Berlin, in Lyons, in Manchester, or Leeds the advantage of a reduction of one quarter of one half of what he must pay for wages? Why thus put at a disadvantage the wage earner of the United States by compelling him to pay more for his food and for his clothing than is paid by his competitor abroad?

At the present moment the administration is doing all that is within its power to conciliate the countries of the world, to bring economic peace, to attempt by methods with which you are all familiar in the matter of proposals, to accomplish the very opposite of what is contemplated here. By dumping you invite the animosity of every country into which you dump; you invite retaliatory action; you invite the raising of tariffs, even embargoes. In many directions you encourage animosity and resentment, when the administration is doing its best to secure some measure of economic peace and harmony.

Furthermore, you have here an interesting contradiction presented by the method of redeeming the silver certificates. I congratulate the author of the bill for the adroitness with which he has drawn his provision, but he seems to have forgotten the fact that within a few weeks we have made it illegal for any citizen of this country to have in his possession a single ounce of gold or a single gold certificate; and

yet he has the courage, in the face of the program of his administration, to come here and advise that these certificates may be redeemable in gold. He contradicts his vote. He contradicts the program of the President. You will find some difficulty in understanding the gentleman's report, but in his speech on the floor he has definitely said that these certificates might be redeemed in gold. If time permitted, I would have the statement read over to you.

Mr. DIES. Will the gentleman yield? He has made an incorrect statement.

Mr. LUCE. Under the circumstances I yield to the gentleman.

Mr. DIES. I said that this bill has the same redemption clause as contained in the gold bill. The Treasury does not have to redeem unless it wants to, then when it redeems it can redeem in gold or silver.

Mr. LUCE. I thought the gentleman must have used language he did not mean. When he reads the transcript tonight he will find language there with implication he did not mean, I am sure. If, however, the wording of the devaluation bill was the same as it is here, attention may be called to section 5 of that bill, which began:

No gold shall hereafter be coined, and no gold shall hereafter be paid out or delivered by the United States.

Exception is made as to coinage for foreign countries. All gold coin is to be withdrawn from circulation and melted into bullion. The gold is to be maintained in the Treasury as alleged security equal to the dollar amounts required by law, a requirement that, unless the Government acquired other gold, would be impaired by use to redeem silver certificates.

I call it "alleged" because nothing is in reality "security" unless it can be had at the demand of the holder of an obligation. For the purposes of domestic use as money, gold certificates are in effect irredeemable. However, my observations would have been more accurately directed to the implication the uninformed citizen would see in the use of the phrase "in gold." Without technical explanation that phrase gives the public to understand it means what it says. And by the way, I seriously object to the words in a note to the monthly Circulation Statement of United States Money, saying:

Gold certificates are secured dollar for dollar by gold held in the Treasury for redemption for uses authorized by law.

That is deception. There is now no assurance whatever that the holder of a certificate can get an ounce of gold, nor will there be if this bill is enacted. Redemption in gold is a fantasy, a delusion, and a lure to the people of the United States, because it continues the attempt to make them think their money may be redeemed. We ought not to deceive them in this regard. The people ought to know that, except for the purposes of foreign trade and the arts, not a dollar of our pretended gold currency is redeemable in gold. We have irredeemable paper currency.

Silver today is redeemable. Under this bill it will be redeemable, but to what extent? I call the gentleman's attention to the words of his own report:

There is only approximately 20 cents' worth of silver in our silver dollar.

The only difference between a silver dollar and a paper dollar in this regard is that the paper dollar may have about one tenth of a cent of intrinsic value while a silver dollar has 20 cents of intrinsic value. It is nothing but fiat money. It never will be anything else but fiat money until it is restored to a parity with gold.

In the meantime, what is the proposal of the gentleman who says that there is only 20 cents' worth of silver in a silver dollar? He is asking us to enact a measure that will put 25 cents into the silver dollar. In other words, increase its intrinsic value by one fourth. It has 20 cents' worth of silver now and he would add 5 cents more of value to what we called a "cart-wheel dollar" when we used it hereabouts. He will then go forth to the country and make the people feel that he has made some great contribution to their welfare because he has changed the content of a

flat dollar from 20 cents to 25 cents. Here again is an interference with the monetary program of the administration that will throw it out of gear.

[Here the gavel fell.]

Mr. ELTSE of California. Mr. Speaker, I yield the gentleman 3 additional minutes.

Mr. LUCE. May I take this additional time to insert in the Record the words of a great President, a great Democrat, a great American, one of the bravest Presidents, if not the bravest President, this country ever had, Grover Cleveland, of New York. [Applause.] They were spoken in a message to Congress August 6, 1893, 40 years and a little more ago. Then the plight of the country was as bad as it is today. Panic had wrought havoc on every hand. Misery stalked the streets. The monetary situation was worse than the one we now confront. A law requiring increased purchase of silver bullion, enacted 3 years before, had helped to bring on the disaster. The Congress was called together in special session to repeal that law. Let me read as solemnly as I can and with as much emphasis as I can command the opening paragraph of the strongest part of President Grover Cleveland's message, the rest to be inserted in the Record:

The people of the United States are entitled to a sound and stable currency and to money recognized as such on every exchange and in every market of the world. The Government has no right to injure them by financial experiments opposed to the policy and practice of other civilized states, nor is it justified in permitting an exaggerated and unreasonable reliance on our national strength and ability to jeopardize the soundness of the people's money.

The President went on to say:

This matter rises above the plane of party politics. It vitally concerns every business and calling and enters every household in the land. There is one important aspect of the subject which especially should never be overlooked. At times like the present, when the evils of unsound finance threaten us, the speculator may anticipate a harvest gathered from the misfortune of others, the capitalist may protect himself by hoarding or may even find profit in the fluctuations of values, but the wage earner—the first to be injured by a depreciated currency and the last to receive the benefit of its correction—is practically defenseless. He relies for work upon the ventures of confident and contented capital. This failing him, his condition is without alleviation, for he can neither prey on the misfortunes of others nor hoard his labor. One of the greatest statesmen our country has known, speaking more than 50 years ago, when a derangement of the currency had caused commercial distress, said:

"The very man of all others who has the deepest interest in a sound currency and who suffers most by mischievous legislation in money matters is the man who earns his daily bread by his daily toil."

These words are as pertinent now as on the day they were uttered, and ought to impressively remind us that a failure in the discharge of our duty at this time must especially injure those of our countrymen who labor, and who, because of their number and condition, are entitled to the most watchful care of their Government.

Let every man here devoutly pray that another Democratic President, coming, likewise, to the White House through the capital at Albany, may also have the courage, the honesty, and the patriotism to keep the pledge of his party and his own pledge to preserve for the people of the United States a sound currency. [Applause.]

[Here the gavel fell.]

Mr. SOMERS of New York. Mr. Speaker, I yield the gentleman from Illinois [Mr. PARSONS] 5 minutes.

Mr. PARSONS. Mr. Speaker, it is very appropriate that the first silver bill that has been brought into this Chamber with any possible chance of favorable consideration or passage since the year 1890, is brought in on the anniversary of the birth of that great silver leader, the late William Jennings Bryan. [Applause.] Today is the seventy-fourth anniversary of his birth.

I have been very much amused at two of the gentlemen who have preceded me. I am very much indebted to the gentleman from California, because I think he gave to the House two of the real fundamental reasons that this bill should be passed. [Applause.] Namely, that it would be possible to sell \$2,000,000,000 worth of farm commodities and increase our issue of currency by the same amount.

The gentleman's first statement was that under this bill we could buy \$2,000,000,000 worth of silver and thereby

export \$2,000,000,000 worth of agricultural products. The Lord knows this is what we want to do. [Applause.]

But there seems to be a difference of opinion. The gentleman from Connecticut said we would not get any appreciable amount of silver—not enough to do any good.

So before the opponents of this measure present to this House valid reasons for their opposition, they should at least consult each other and unitedly present the same reasons for opposing the bill.

I would say to the gentleman from California, I understand that Thurston, the great magician, will be here at the theater on March 30, and I am sure he can sell these new tricks to him. The gentleman says we will have \$2,000,000,000 of monetary silver placed in the Treasury and then have it slipped out by some unknown method like Mr. Thurston slips cats out of hats or out of the tail of his coat, and so on, and leave \$2,000,000,000 in silver certificates outstanding, against which the Treasury has nothing for redemption. Certainly, the gentleman knows that no silver certificates are issued or reissued unless the silver dollars or bullion is in the Treasury for coverage.

Mr. ELTSE of California. Will the gentleman yield?

Mr. PARSONS. The gentleman can answer that a little later, because I have only 5 minutes.

Now, let us see what this bill does. In the first place it sets up a board which shall consist of the President, the Secretary of the Treasury, the Secretary of Commerce, and the Secretary of Agriculture, which shall be known as the "agricultural surplus exchange board." The board is directed to deal with individuals and farmers' cooperative marketing associations in exporting agricultural commodities to those nations that may pay for these goods in silver at a price somewhere between 10-percent and 25-percent premium, at the option of the board.

The price of silver in the United States on Saturday's market, was about 45.65 cents per ounce. The London price, if I remember correctly, in gold, the same as our price is expressed, was 41.10 cents per ounce. Therefore if we gave 10 percent under the terms of this bill to our exporters through the services of this board we would only equalize the world price of silver with our domestic price.

However, we are now purchasing at the rate of approximately 2,000,000 ounces a month, newly mined silver and paying therefor at the rate of 64½ cents an ounce. This is one half of the old coinage price of \$1.29. If we are paying at the present time 64½ cents an ounce for newly mined silver, why could we not very safely issue silver certificates against silver that is brought here from the foreign nations in payment of our exportable surplus agricultural products. The gentleman from Texas has very well explained this part of the subject.

I was amused at the gentleman from California when he said we would have great inflation and wind up by losing not only the \$400,000,000 which represents the balance in premiums paid, but, probably, the entire \$2,000,000,000; but in the question that I directed to him as to whether he would like to have a million of these dollars, by some of the same magic he tried to use with his bookkeeping, he tried to wave that aside and say that in 6 or 8 months it would be of no value.

This bill does not go as far in the rehabilitation of silver as I desire. But it is a step in the right direction. Great Britain controls 80 percent of the annual gold production of the world. Three nations own and control practically 85 percent of the present gold stock, namely, Great Britain, France, and the United States. The gold revaluation policy cannot seriously affect the commodity price level, because gold is not well enough divided among the population. Therefore we cannot hope to attain the results of a 1926 commodity price level with this policy alone.

The United States owns and controls about 56 percent of the annual silver production and about 80 percent of silver refining. More than three fourths of the people of the world utilize silver either as their standard of exchange or in a minor capacity. We cannot hope to develop our former export trade with Europe. In my judgment that trade is

gone forever. We must look to the Orient. India and China, with a population of more than 800,000,000 people, possesses three fifths of the silver monetary stock of the world. At present ruinous world price for silver they cannot buy our goods. With silver rehabilitated, they will be able to purchase our commodities. Our export trade in the future must be developed in the Orient.

There is no subsidy in this bill to agriculture. The premium which may be offered for foreign silver will be entirely compensated for in the rise of the price of silver, and the value will be contained in the bullion placed in the Treasury. In addition thereto, the Government will enjoy seigniorage profits to the extent of anywhere from 80 cents to 29 cents an ounce, depending, of course, upon how fast the price of silver rises.

I venture the prediction that if this bill is passed today by a two-thirds vote, as I fully believe it will, there will be a favorable reaction not only in the price of silver but in the price of agricultural commodities throughout the United States. Let us give it a trial. The crime which destroyed silver, the money of the Constitution, first perpetrated in 1873 and finally consummated in 1900, will be partly undone in the passage of this measure today. Pass this bill, enact it into law, and let us get rid of our surplus wheat, cotton, and meat products, and the price of agricultural commodities will greatly advance before another harvest is gathered.

I ask unanimous consent to revise and extend my remarks and insert in the Record the following table, which shows the location of the gold and silver stocks of the world.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The table is as follows:

World's monetary stocks of gold and silver at the close of the year 1932

[The amounts are expressed in American dollars at the gold price of \$20.67 per ounce and the then prevailing price of silver per ounce]

Country	Population	Total gold stock	Silver stock in banks and treasuries
1. United States.....	125,198,000	\$4,513,001,000	\$845,702,000
2. South America.....	83,000,000	362,008,000	35,750,000
3. Central America.....	35,000,000	39,010,000	64,325,000
4. France.....	41,835,000	3,254,247,000	52,480,000
5. Belgium.....	8,092,000	360,842,000	9,483,000
6. Germany.....	64,624,000	209,015,000	356,168,000
7. Great Britain, Canada, Australia, South Africa.....	71,220,000	855,001,000	309,012,000
8. Italy.....	41,230,000	307,153,000	89,488,000
9. Netherlands.....	8,030,000	415,101,000	54,558,000
10. Russia.....	162,686,000	367,692,000	11,733,000
11. Spain.....	23,903,000	435,904,000	250,901,000
12. Switzerland.....	4,085,000	505,890,000	1,351,000
13. Remainder of Europe.....	140,455,000	427,102,000	92,480,000
14. India.....	332,987,000	162,000,000	1,411,330,000
15. Japan.....	90,395,000	212,004,000	36,632,000
16. China.....	462,387,000	(¹)	2,019,788,000
17. Remainder of Asia.....	133,150,000	85,607,000	194,212,000
18. Africa and Oceania.....	127,465,000	50,208,000	82,410,000
Total.....	1,975,772,000	12,567,790,000	5,915,803,000

¹ No figures.

Mr. SOMERS of New York. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days within which to extend their own remarks on this bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ELTSE of California. Mr. Speaker, I yield 10 minutes to the gentleman from Kansas [Mr. McGugin].

Mr. McGUGIN. Mr. Speaker, in considering this bill today we are largely bogged down with all of the prejudices growing out of the money question. It seems to me that if we can cut away all of the underbrush and get down exactly to what is in this bill there is not a great deal of controversy.

This bill is not a far-reaching money bill. Primarily it is paying a 25-cent subsidy for exporting to foreign countries our farm surpluses.

The subsidy is paid in silver, the hope being that it will benefit the agricultural industry in this country and may

also benefit the silver industry, both of which are in the dumps.

I believe I can say without exaggeration that until agriculture, silver, and other mineral commodities are upon a paying basis there is no hope of recovery in the industrial sections of this country. [Applause.]

This bill is limited to \$400,000,000. That is the amount of the subsidy, and by the expenditure of this 25 percent subsidy a dollar's worth of farm products will be purchased.

Now, if we spend that \$400,000,000 we shall have exported at least a \$1,600,000,000 worth of surplus farm products. If that is done, the depression is over. [Applause.]

Let me tell you that the thing the last one of us should worry about is that we may not be able to sell that many dollars' worth of farm products. The thing we should be worrying about is that we are not going to be able to spend \$400,000,000 in subsidies in exporting farm products.

This country produces a surplus of cotton, wheat, and other farm commodities. There is no hope of getting out of the present dilemma unless we can reduce production or export the surplus. We cannot reduce the production of farm commodities without giving up our rights under the Constitution as free born American citizens.

I would not vote for the cotton bill that we passed today, because I would not vote to send any man to the penitentiary for producing cotton and selling it without paying a confiscatory tax. But this much is certain, we either must follow that course or figure out some plan whereby we can export the surplus farm commodities.

Now, I listened with interest to some of the remarks by my friend from Massachusetts [Mr. LUCE].

He worries for the American laboring man and says that if we pass this bill we are making it possible for his labor competitor in foreign countries to buy these commodities at 25 percent less than the American laboring man can buy them. My answer to that is that through the protective tariff system the American laboring man has a dollar with which to buy these commodities, while the British laboring man has 50 cents and the French and the German laboring man have but 25 cents with which to buy them.

My friend from Massachusetts states that it is heresy to talk about subsidizing an exported farm commodity and that it is heresy to talk about selling it abroad below the cost of production. If it is a crime by legislation to sell below the cost of production, then it is a crime by legislation to sell above the cost of production, and by virtue of tariff legislation American manufactured products have been sold above the cost of production to the cotton and wheat producers of this country for 60 years. [Applause.] It is not to be concluded from my remarks that I am a free trader or that I would tear down our tariff walls. I shall state my position on that matter when we reach the bill in a few days wherein Congress is called upon to give away its constitutional right to levy tariffs. I believe in protecting the American market for American producers, and following that one step further, I say that we have reached that time when it is not within the power of Congress or the power of the people of this country to protect American markets for American producers unless we provide that the agricultural sections in America are able to buy. I do not believe that you will reach a time when agriculture is able to buy by driving 50 percent of the farmers of this country out of business, and that is the policy that we are following if we follow the policy of reducing farm production to American consumption. If we continue to follow the policy of reducing farm production to American consumption, it is going to mean that 25 to 50 percent of the farmers must be driven from the soil to join the ranks of the unemployed in the industrial sections.

Talk about a subsidy! If here is a \$400,000,000 subsidy which at the same time makes it possible to export \$1,600,000,000 of farm surpluses, then it is a good investment. That subsidy of \$400,000,000 is nil as compared with the subsidy of billions which we are now spending trying to uphold industry and support the unemployed, primarily because the agricultural sections are unable to buy the products of the American laboring man.

I do not know that this bill will succeed. I lay no claim here today that if you pass this bill we shall be able to export these farm commodities, but I do say that if by the enactment of this bill we are able to export these farm commodities, the agricultural sections may gain in the first instance, but the greatest gain will be for this country as a whole. Unless agriculture can produce in a normal way at a profit, then we have reached that day when we need hold out no hope for a return of industrial employment, when we need hold out no hope for a solvent Government, when we need hold out no hope for the preservation of the value of any accumulated property in this country. This country has reached the place where it is going down further and further unless agriculture can come back up. But I will not subscribe to remedies to help agriculture, which remedies mean trying to bring agriculture back to prosperity through the process of going out of business. I believe agriculture must prosper through the process of production and not through lack of production.

Mr. JOHNSON of Minnesota. Mr. Speaker, will the gentleman yield?

Mr. MCGUGIN. No. My time is too limited. So, getting this bill down to its last analysis, it is not an unbridled silver bill. My Republican friends, if this bill is a wild silver bill, then John Sherman was a money fanatic and a silver crank, because he advocated a silver-purchase bill. If this bill were a bill providing for a double standard of money I could not at this time be for it. I do not believe that we can have a double standard of money. The future must teach me that which I have not yet learned before I can understand how a double standard of money at a fixed ratio will succeed.

Mr. EVANS. Mr. Speaker, will the gentleman yield?

Mr. MCGUGIN. No. I do believe that within reason we can uphold the value of silver certificates issued under this bill.

Something has been said about inflation under this bill. Well, if we export the maximum amount of farm products possible under this bill, we shall add \$2,000,000,000 to our currency. There will be back of that \$2,000,000,000, \$1,600,000,000 of silver at the current market price. As of the moment, it will be a \$400,000,000 inflation. In the end it may not be inflation at all. If some day and sometime silver regains its normal value of \$1.29 an ounce, we shall have \$4,000,000,000 worth of silver backing up \$2,000,000,000 of currency.

I am not afraid of inflation which is confined to 75 cents worth of silver at the present low market price backing up a dollar of currency. As a part of our Federal Reserve Act and the accepted principle of sound money, we have for years provided that 40 cents worth of gold would justify a dollar of currency.

I am not afraid of such inflation as is found in this bill. I am afraid of pure paper inflation when there is nothing back of the currency except faith and credit. If we do not balance our Budget and if we continue to spend more than we take in, it is only a question of time until we shall be meeting Government obligations with printed money. If we can export our surplus farm commodities and get agriculture back on a paying basis in this country, we shall be able to balance our Budget. If this bill will succeed in exporting these farm surpluses, we shall be able to escape a pure printing-press inflation, which we shall probably not be able to escape unless agriculture does quickly return to a profit-producing basis.

The SPEAKER pro tempore. The time of the gentleman from Kansas has expired.

Mr. SOMERS of New York. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN of Missouri. Mr. Speaker, the more the silver question is discussed, the more the mind becomes confused. It is hard to find any two men who have the same view on the subject.

My outstanding objection to this bill is that it does not have the endorsement of the Treasury Department. A ques-

tion of such importance should be considered jointly by the executive and legislative branches.

Then, again, it creates a board; puts another Government board into the business of selling surplus agricultural products abroad. Will it be another farm board? This board can deal with foreign buyers. It will be known as the "Agricultural Surplus Exchange Board."

The board, under section 5, is directed to authorize the farmers' cooperative marketing associations to enter into contracts for the sale of American agricultural products in exchange for silver bullion, and so forth.

Now, what does it do with reference to the old, established firms that have been exporting our agricultural products for years? Some gentlemen will say that section 7 will take care of that. I say section 7 will not take care of it.

I could say a great deal about how this bill was handled in committee, but I am not going to do so. I will abide by the rules and not discuss what occurred in executive session.

If this bill goes to the Senate, in my opinion, everything after the enacting clause is going to be stricken out. If it should go to the Senate, you probably will have some kind of a silver bill that in the end might be very valuable, but I do not think the Senate will agree to this measure as written. However, that is not a proper way to legislate.

I cannot understand why there is such a big rush to put through a silver bill that affects agricultural products when the Treasury Department has stated it is giving the general silver question consideration and intimates that it will not be long before it will be ready with some suggestions that will take care of silver. We waited for the Treasury and the President's recommendations as to gold. Why not wait a few days and see what they have to say about silver?

I am interested in increasing the purchasing power of silver. Many countries on a silver basis buy American products but when silver was down to 30 cents our workmen in our factories were only required to manufacture one half the number of shoes, and so forth, to fill orders in comparison with the number they manufactured when silver was around 65 cents. If we can find a way to get silver back to its old value it will help our industries.

If the principle in this bill is sound, then why did you not let us so word the bill so as to let those who have been engaged for over a hundred years exporting our surplus agricultural products handle the job and not put the Government in the business, thus destroying our exporters, as did the Farm Board. Our exporters have elevators, all kinds of storage facilities, and can take over this work. The new board will be required to secure facilities just as the Farm Board did. There can be no doubt as to that.

Again I say, I think we should have some kind of a silver bill, and I do think when that bill is written the Treasury Department should have its views before the committee so that we can work in harmony with the administration. Team work is essential at this time.

I do not like to disagree with the members of a committee of which I am a member, but I cannot support a bill that is going to create another governmental agency to go into business and compete with those who are engaged in the exporting of grains in this country, and who have handled the exports for over 100 years, or until the Farm Board came into existence.

Mr. TERRELL of Texas. Will the gentleman yield?

Mr. COCHRAN of Missouri. Yes; I yield to my friend from Texas.

Mr. TERRELL of Texas. I want the gentleman to understand there is a difference between this board and the Farm Board.

Mr. COCHRAN of Missouri. Absolutely none whatever when it comes to competing with private business men.

Mr. TERRELL of Texas. This does not propose to expend the taxpayers' money. You are to get the money from foreign countries.

Mr. COCHRAN of Missouri. The gentleman from Texas, whose opinion I respect, should certainly know this will be a board just exactly like the Farm Board, insofar as the

handling of our exports is concerned and its effect on those engaged in the exporting business.

Mr. DIES. Will the gentleman yield?

Mr. COCHRAN of Missouri. In yielding to the gentleman from Texas [Mr. DIES], the author of this bill, I want to say the House is indebted to him for the study he has given this question, and I regret exceedingly I cannot agree with him today. He is sincere and feels that he is doing something to help a situation that needs assistance. I do think if he had just waited for the Treasury's recommendations he would have a better bill.

Mr. DIES. Does the gentleman not know that according to the plain wording of section 7 the exporter has the same rights as anybody else?

Mr. COCHRAN of Missouri. I do not. If the exporter has the same right, then why did you not put him in section 5? I ask to have the exporter put in section 5 in committee. The exporters in my city do not agree with the gentleman's interpretation of the language of section 7. They do not understand why you specifically named the farmers' cooperative marketing associations in section 5 and left them out. If you would have added "regular established firms or corporations engaged in the handling of agricultural products" it would have been better.

Mr. DIES. What difference does it make just so long as it is in the bill?

Mr. COCHRAN of Missouri. I do not agree the exporter is in the bill. Why did you not put them in along with the cooperative marketing associations? What objection could you have if you claim they are in the bill? I repeat I requested the committee to do so when one of the representatives of the farm organization was before the committee, and I understood the gentleman from Texas to say that would be taken care of. The hearings will bear me out. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Missouri [Mr. COCHRAN] has expired.

Mr. ELTSE of California. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, yesterday was the anniversary of the birth of Grover Cleveland. This bill, I assume, is a Democratic present to commemorate the birthday of that former courageous Democratic President who, in and out of season, opposed silver heresies, as was stated by the gentleman from Massachusetts [Mr. LUCE]. Grover Cleveland, when warned not to speak publicly against silver, answered:

I am supposed to be a leader of my party and if any word of mine can check these dangerous fallacies, it is my duty to give that word, whatever the costs may be to me.

I hold in my hand the hearings before the Committee on Foreign Affairs of June 10, 1933, which contains a number of statements by Grover Cleveland against both the purchase of silver and the experimenting with free silver.

I was interested in reading in the newspapers this morning that a blacklist, a Democratic blacklist, had been established by the Speaker. I have forgotten all the votes that were involved, but I suppose it included the economy bill, soldiers' bonus, veterans' legislation, and so on; but now the Speaker has brought into the House this silver bill so that he can be put on the list, too. Like Abou ben Adhem, his name will be at the head of the list. [Laughter and applause.]

Mr. HOEPEL. Will the gentleman yield?

Mr. FISH. Oh, no; not in 5 minutes.

One of my main objections to the consideration of this bill is the fact that this is no way to consider legislation of such importance, involving a silver experiment under suspension of the rules which limits debate and does not permit amendments. Very few Members of the House, other than those from the silver States, have studied the silver question carefully in recent years. It has not been a paramount issue before the country. From 1873 to 1896 it was perhaps the main issue before the country, and the Members of Congress knew the facts, and repeatedly voted down legislation of this kind, particularly involving the purchase

of silver. The Democratic Congress in 1893, overwhelmingly Democratic by a majority of 2 to 1, voted to repeal the 1890 resolution to buy silver bullion by a vote of 239 to 109. Now, you come in here under suspension of the rules, when it is impossible to offer any amendments, and you say to the farmers out in the Middle West, "We are going to solve all your problems; all you have to do now to become rich is to sell all the surplus foodstuffs that you can produce to foreign nations at a 25-percent discount provided you are paid in silver."

Now, what is the answer? This is nothing but a hoax. This is nothing but a racket. The answer is that last July the Government, through the Reconstruction Finance Corporation, offered to loan China money to buy our products. China has been particularly mentioned here in connection with this bill, and you say you are going to open up the Asiatic markets for the surplus products of the American farmers. Almost a year ago we offered the exporters doing business with China \$40,000,000 to export cotton and \$10,000,000 to export wheat. What happened? China took exactly \$4,000,000 of cotton and until now has only paid back \$400,000, and she took practically no wheat at all—I believe less than half a million dollars worth of wheat.

Mr. HOEPEL. Will the gentleman yield?

Mr. FISH. I cannot yield in 5 minutes.

We have got practically nothing in return for our loans and China even refuses to buy wheat and cotton with our money.

Now, it is proposed to give a bonus of 25 percent to the buyers of cotton and wheat and other farm products in foreign countries if they will pay in silver. Will wonders never cease? You say you are going to sell a billion dollars worth of farm products. You want to be very careful the farmers do not lose \$100,000,000. You want to be very careful by the passage of this legislation that the present foreign markets for our surplus farm products are not interfered with so that foreign importers will actually be paying less than they are paying today. Nobody can guarantee by this bill that foreign nations will buy one dollar's worth more of your farm products. We found that to be so in Russia and China and other countries when we tried to lend them money to buy our surplus crops with. Now you propose to undermine your own markets abroad by permitting foreign importers to pay 25 percent less by use of silver payments.

The SPEAKER pro tempore. The time of the gentleman from New York [Mr. FISH] has expired.

Mr. SOMERS of New York. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. BERLIN].

Mr. BERLIN. Mr. Speaker, I do not come from a silver-producing State. None of my constituents, large or small, so far as I know, is engaged in the production of silver. I have no direct interest in this industry. The prosperity of the silver industry will not stir me to a pitch of wild enthusiasm. Neither will its depression thrust me into the depths of despair.

The activities, the frequently wild antics and startling fluctuations in the price of this metal on the trading exchanges will neither add to nor detract from my personal material possessions. I am not a speculator in silver.

I set all this forth, Mr. Speaker, because I resent the implication which we recently heard made in high places that a vote for silver is not a disinterested, is not an honest vote. Before I would voice such sentiments as those to which I refer I would be prepared—indeed, I would insist—that my statement be more than mere innuendo. I resent such type of statesmanship, if you can dignify that attitude by such description.

Mr. Speaker, I shall vote for the Dies bill. My interest in this bill is due to my conviction that it may have sufficient merit to accomplish the worthy purpose which my colleague from Texas, who is author of it, presumes.

I see in this bill, Mr. Speaker, an attempt to perform a constructive service for agriculture and, at the same time, a constructive service for the whole country; for what benefits agriculture generally must in the end benefit the rest of our population.

This bill, as I see it, is more practically conceived, if I may put it that way, than most of the monetary legislation which comes before this body. It is not merely an effort to set at work machinery to expend money solely to buy money. It does not propose to buy silver with gold, or silver with silver, or directly subsidize miners and mining.

There is much more to it than that. The basis of this proposal of my colleague from Texas appears to me to be to move out of our cluttered markets a large portion of the agricultural surplus with which we are burdened and exchange that perishable asset for something more permanent, more substantial and fluid, namely, silver.

Mr. Speaker, if I were a producer of peaches, or apples, wheat, corn, or cotton, and I had warehoused a large quantity of these things which I could not move, it seems to me that I would be in most desperate circumstances. The peaches and apples I could not keep. The corn, wheat, and cotton I could, for a time at least. On the other hand, how am I going to finance this storage and at the same time continue financing the cultivation of my acres? Obviously I am not. I say "obviously" because even a hasty glance at statistics bearing upon the financial position of our farmers would indicate that the word "finance" must ring in their ears like a doomsday bell.

This bill, Mr. Speaker, appears to me to be an instrument which we may grasp as a means of distributing this vast surplus which we are amassing from year to year. Do not misunderstand me. I am not certain—as who can be?—that we have in this bill a panacea of some rare quality. No, indeed. Whether it will perform in the manner desired remains to be seen.

I have studied this bill, however, and I feel certain that it can do no harm and has within it the potentialities of doing much that is good.

I feel that there is too much scorn, too much hasty and unconsidered judgment, in regard to legislation which is connected with silver. That modest metal seems an inspiration either to extravagant enthusiasm or bitter denunciation. Either course, I am sure, is scarcely worthy of this House in so important a matter. When the word "silver" is mentioned, men are too likely, in such a body as this, to jump to their feet and cheer or slump on their spines awaiting only a chance to arise in vigorous wrath and assail all and sundry connected with that word.

As for myself, the proposal that agriculture be assisted through the stimulation and circulation of silver and silver certificates does not alarm me. In fact, should such stimulation result in a legitimate increase in circulation through the disposal of agricultural surpluses, I see great advantage accruing to our farms and farmers.

It is not necessary, Mr. Speaker, for me to argue this bill clause by clause before this House. I should, however, like to point out what I consider a most important aspect of it.

In section 2, referring to the agricultural surplus exchange board, we read:

The board is hereby authorized and directed . . . to negotiate with foreign buyers with the view of selling American agricultural surpluses produced in the United States—

And so forth.

It appears to me that this language is clear enough to convince anyone that the action of the board is not mandatory, it is not forced to enter any agreements with prospective foreign buyers if the terms are not advantageous, so that we are not here adopting legislation making compulsory the disposal of surplus, the acceptance of silver, and the issuance of silver certificates. These things are left to the judgment of this board, which, I dare say, will be as capable as any such board can be made. We, therefore, may rest assured that our vote for this measure will not be a vote for some wild unworkable scheme that will put a silver spoon in the mouth of agriculture at the expense of the rest of the population.

In conclusion, I should like to ask a question: Suppose you had done a day's work for someone. Suppose that you had raised 10 bushels of potatoes. Suppose you sold your furniture, a picture, your books, or whatever else you wanted to

put on the market. The buyer tenders payment in good old-fashioned "cart wheels"—silver dollars. Would you take them? Or would you withdraw your offer and sit pouting because the buyer did not offer gold pieces instead? I think you would take the "cart wheels." Then, Mr. Speaker, why should not our farmers have the opportunity of disposing of their surplus products by accepting silver dollars or silver certificates for them? I see no reason; and because I believe that if these commodities can be disposed of to the foreign buyers, then here is a practical opportunity to effect such sale.

Mr. SOMERS of New York. Mr. Speaker, I yield 4 minutes to the gentleman from Idaho [Mr. WHITE].

Mr. WHITE. Mr. Speaker, we have had times in this country when labor was employed and when the job sought the man rather than the man having to seek the job, and I wish to give you the reason which brought about the former situation. I hold in my hand a report of the conference between officers of the Federal Reserve Board and of the Federal Advisory Council of class A directors of Federal Reserve banks. Governor Harding, in explaining the situation in 1920, had this to say:

We have had an analysis made of the general banking and credit expansion in this country. Without going into details I am going to save time by stating the result. We find that since the 20th of June 1914, the expansion of bank credit in this country has amounted \$11,000,000,000. At the same time there has been about \$1,900,000,000 new money put into circulation. During the same time there has been an advance in commodity prices of about 25 percent, and this has been accompanied by a decrease in production of essential articles.

If there is one activity of the Government which should be paramount, it should be the effort to bring about an increase in prices and a decrease in consumption. We have the answer in the statement of the Governor of the Federal Reserve Board contained in this document—Senate Document No. 310—when he explained that as a result of putting \$1,900,000,000 into circulation and expanding the credit by \$11,000,000,000 we had a decrease in production and an increase in prices.

Twenty percent of the wheat produced in the United States is raised west of the Rocky Mountains. Of this amount 60 percent has always found an outlet in foreign export.

Today we have lost our foreign outlet and have the wheat left on our hands with the result that every man, woman, and child in the United States is paying a tax on all the wheat products which reach his table to make up the deficiency caused by neglect of silver and neglect to build up our foreign markets through stabilizing the price of silver. The penalty we are today paying for this neglect is 20 cents a bushel on every one of the 120,000,000 bushels of wheat raised west of the Rocky Mountains that formerly went to the Orient, and this tax is necessary to balance the price on the Chicago market plus the freight rate from the Pacific coast.

When this bill is put into operation the people will be saved this amount of money. [Applause.]

Mr. Speaker, I yield back the balance of my time.

Mr. ELTSE of California. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr. WOLCOTT].

Mr. WOLCOTT. Mr. Speaker, a great deal has been said this afternoon concerning the attitude of the administration toward this bill. I dislike very much to quote a Cabinet officer from memory, and must apologize for not having the transcript of his testimony before the House Committee on Banking and Currency, where he appeared some 2 weeks ago. For the last hour I have been trying to get the transcript of his testimony, but within the last 10 minutes I have learned that, contrary to the rules of the Committee on Banking and Currency, the transcript is in the office of a distinguished Senator and is not obtainable because he and his secretary say it is lost. So I must quote from memory.

When the Secretary of the Treasury was before the subcommittee of the Committee on Banking and Currency which had under consideration the bill to establish a Federal monetary authority, my distinct recollection is that he said

that the administration, without any hindrance or interference of any other legislation concerning monetary matters, should have another 9 months in which to work out its program.

Personally I have tried to go along with the Secretary of the Treasury and the President in every way I honestly could; and without any comment upon the merits of this particular bill—and I admit it has merit—I think all of us, Republicans and Democrats alike, should give the President and the Secretary of the Treasury an opportunity to establish and perfect their monetary program without interference. For that reason, and that reason only, I shall vote against this bill. [Applause.]

Under the authority granted to me to revise and extend the above remarks, I should like to call the attention of the Members of the House to certain excerpts from a statement made by Hon. Henry Morgenthau, Jr., Secretary of the Treasury, before the subcommittee of the House Committee on Banking and Currency, on Thursday, March 1, 1934. The transcript of this testimony has been obtained by me since making the above statement on the floor of the House.

H.R. 7581, the bill under consideration, authorizes the issuance of silver certificates in a manner contrary to the present policy of the administration, and the mandatory features of the bill might cause embarrassment to the administration in the establishment and maintenance of its monetary policy. This is borne out by the fact that Secretary Morgenthau, when he appeared before the subcommittee on March 1, testified as follows:

The country has just come through one of the most difficult financial crises we have ever had, and through various Executive orders of the President and through acts of Congress we are just beginning to see a little daylight. What the future monetary policy of this country will be I do not think anybody is wise enough to tell at this time, because we have not had sufficient experience.

I quote further from his testimony, as follows:

I hope Congress will give us at least the balance of this year to work out the present program as it has been laid out before it is changed. I think possibly if we have another 9 months or a year, then we will know a little bit more about it.

Mr. Morgenthau went on further to state that the monetary policy of the Government today is more or less of an experiment, and he would not recommend that the Congress take any action that would change the present system.

It is because of this attitude on the part of the Secretary of the Treasury that I feel that we should refrain from passing any legislation at the present time having as its purpose the further use of silver as a monetary base, and we should be willing to await the announcement of the Treasury Department on these questions after they have had an opportunity to gather together all the information which is now being obtained, and should not commit the Treasury Department prematurely to a policy to which, after months of study on its part, might not be desirable.

Mr. SOMERS of New York. Mr. Speaker, I yield 2 minutes to the gentleman from Oklahoma [Mr. McCLINTIC].

Mr. McCLINTIC. Mr. Speaker, today, this afternoon, marks the last chapter with respect to the sad passing of one of the prominent citizens of Oklahoma and the Nation, namely, the Honorable John Simpson, president of the Farmers' Educational and Cooperative Association of America, whose funeral service is now being held in Oklahoma City. He was stricken while testifying before a Senate committee for the purpose of giving his views with respect to pending legislation, and it can truthfully be said that he died in the harness, while expressing views of the organization which he so well represented. I think it is fitting for me to say that this is one bill that he has sponsored on many occasions and I am sure that he knew the economic condition that relates to world markets and that, if Congress would pass a suitable silver bill similar to the one that is now being considered, it would enable our citizens to dispose of their surplus crop to countries like China, India, and others that produce silver. I am sure that had he not been stricken, his familiar face could have been seen as an onlooker in the gallery at this very moment.

There may be those who have differed with him, with respect to his pronouncements, yet, when it came to ability, perseverance, and integrity every person is bound to say that he was conscientious in the performance of a duty for the organization that he headed as its president. As the chairman of the Oklahoma House delegation, I want to take this opportunity of expressing to the members of the family and his cooperators my appreciation for the assistance he has given to the delegation in working on matters of vital interest to the citizens of Oklahoma and the Nation as well. I also want to express to his loved ones my sincere sympathy, and I know that I am joined in this expression by many of my colleagues, who held him in the highest esteem. [Applause.]

Mr. SOMERS of New York. Mr. Speaker, I yield to the gentleman from Oklahoma [Mr. JOHNSON] such time as he may desire.

Mr. JOHNSON of Oklahoma. Mr. Speaker, more than 2 years ago a little handful of Members of Congress, largely from the South and West, who were interested in remedial legislation to relieve the acute money shortage throughout the country, formed what has been known here as the "Open Forum." I was a charter member of that group. We have seen it grow from a small but earnest committee to one of the most powerful groups ever organized by Members of this body. At first some of the old guard jestingly, if not sarcastically, referred to our committee as the "Little House of Commons." But under the able leadership of the distinguished gentleman from Texas, Judge SUMNERS, we continued to dig into the all-important money question, presenting evidence and arguments in favor of a more sensible and scientific money policy, until the influence and importance of that unofficial organization has become a mighty power in Congress.

The position of the President with reference to this legislation has been raised several times here today, apparently in an effort to raise the false and deceiving bugaboo of White House opposition. It is somewhat amusing that some of our Republican leaders, who have not followed the President on other legislation, should raise that question now. Let me say that the record of the President speaks for itself. He has done more for silver than any one man since the World War. [Applause.]

Last year, as a member of the committee from the special money committee mentioned, I called at the White House for the purpose of discussing the money question and especially silver. After an extended conference with the President, it is only fair to say that we had no indication that he opposed silver legislation. He asked many questions and showed a deep interest in the subject. Again, shortly before the opening of the present session, I was a member of another group, representing the same money committee, which called at the White House. We discussed the possibilities of silver legislation further and in more detail, and again the President assured us of his interest in the subject but gave no sign of opposition.

Therefore, I have no reason to believe the President opposes silver legislation but have every reason to believe that he is for it. This legislation may not be part of his outlined program, but I can see no reason why it will not fit in with his program and materially aid in hastening economic recovery.

We all recall very well the bold step the President took within a few hours after his inauguration, when he took the country off the gold standard. Some of those who are here today opposing the present bill predicted then that the country could not long survive off the gold standard. The big bankers of Wall Street, who have held up gold and predicted dire calamities should the United States ever seriously consider going off the gold standard, were shocked that their views and advice had been thrown to the winds. But that action set in motion a gradual and steady climb of commodity prices. Even many who predicted such terrible calamities then must shudder today when they think what probably would have happened to our country had the President lacked the courage to throw the gold standard overboard.

The gentleman from New York [Mr. FISH] and the gentleman from Massachusetts [Mr. LUCE], who represent views of the old guard, were bitter in their denunciation of the pending bill; but if I remember correctly, the same two gentlemen were among those who predicted that the country would go to the bowwows when the President announced that the country had been taken off the gold standard. Time has proved that they were mistaken then, and they might possibly be mistaken again today. The gentleman from California [Mr. ELTSEL], with his ouija board, or chart of figures, which he held up in front of Members to frighten them away from this measure, has evidently convinced himself that the bill we are about to vote on today will immediately produce what friends of the Wall Street crowd call "wild inflation." Admitting that all gentlemen opposing this measure are sincere, it is also apparent that they are unduly excited. The silver certificates proposed to be issued under the terms of this bill will be backed by silver bullion; and whatever you may say about the money, the fact remains that it will be just as good as gold certificates or gold dollars and will pay taxes, interest, debts, and mortgages. [Applause.]

If this bill is passed by both Houses and signed by the President, I confidently believe that we will see a substantial rise in the prices of farm commodities, the one thing that is needed most to save the farmer and thereby save the business man of the country. The day this bill was reported favorably wheat advanced 2 cents a bushel and cotton, as well as other farm commodities, went up instantly to a marked degree. When the Secretary of the Treasury gave a statement the other day indicating that he was opposed to this legislation, the prices of farm commodities went down. I am confident that Members of Congress will vote their convictions on this bill this afternoon, and that the pending measure will pass by more than a two-thirds majority, notwithstanding the attitude of the Secretary of the Treasury, who has not yet distinguished himself as having too much sympathy with the forgotten man. [Applause.]

Personally, I favor the Wheeler bill and stand ready to vote for it, but this House has never had an opportunity to vote on the Wheeler money bill. The Dies silver bill is a great forward step in the right direction.

It is significant that this House is voting on an important silver bill on the seventy-fifth anniversary of the birth of the Great Commoner, William Jennings Bryan. It is fitting, also that our great beloved Speaker, who served with Bryan in this House, should have made it possible for this important silver bill to be brought up, debated, and voted on the birthday anniversary of the late lamented Nebraska statesman who so ably championed the cause of silver. [Applause.]

Many bugaboos are held up to us today, as in the days of Bryan, to frighten us away from a recognition and a remonetization of silver, which now seems destined to come about in the not far distant future.

We are told that the free and unlimited coinage of silver would cause this country to be flooded with all of the silver of every country in the world. However, the Somers congressional committee established after an exhaustive investigation in 1932-33 that approximately 600,000,000 ounces of silver would be the absolute outside figure that is available and could be brought in. It can be seen that this would have but little influence against the gold now in the United States. At least, our foreign trade would be accelerated with silver-producing countries, and that would certainly raise commodity prices, something that must happen if our debt-burdened farmers are to get relief. We cannot long continue to pay back debts contracted in an era of high commodity prices with scarce and dear money.

It has been estimated that the people of this country owe in excess of \$230,000,000,000. The value of all the monetary gold in the world is but a mere fraction of that staggering sum. And practically all of that vast debt was contracted from 1917 to 1929, inclusive, when the purchasing power of the dollar was 62½ cents. So I insist that if there is to be any relief for the debtor class there must be offered some

way for debts to be paid in dollars of somewhere near the value they were when the debts were contracted.

The pending bill may not be perfect. Certainly it is not all that some of us had desired in the way of silver or money legislation, but it is the result of more than 2 years of study and research, and its passage will in no way impair the consideration of other legislation to bring silver back into its own. There are no silver mines in Oklahoma, therefore, I have no selfish motives in supporting this and other silver legislation, except that I am firmly convinced that we must have a reasonably large amount of money and credits in circulation before it is going to be possible for the debt-ridden farmer to secure decent and respectable prices for the products of the farm. It is not denied by the "old guard", who are so bitterly fighting this measure, but that this bill, if and when enacted into law, will be a substantial help in disposing of surplus farm products because it will help us to do business with countries like China, India, and other nations of the East that have an overabundance of silver, but no gold.

In closing, let me say that this bill is endorsed by the Farmers Union and other farm organizations. In my last conversation with our late, lamented John A. Simpson, who passed to his reward a few days ago, he expressed the hope that not only the Frazier bill and the Wheeler bill should be passed, but that the Dies bill might be enacted during the present session of Congress. It is my regret that this bill was not passed a year ago. Had it been enacted then I am not sure that it would have been necessary for the House to pass the Bankhead bill and other production-control legislation now. I am firmly convinced that this silver bill is real farm relief; it is mortgage relief; it is tax relief. Let us pass it today by an overwhelming vote and give notice to the world that so far as Members of this House are concerned we propose to take some affirmative action in our endeavors to relieve distress and want throughout the land. [Applause.]

Mr. ELTSE of California. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I have been called a magician by the gentleman from Illinois [Mr. PARSONS]. Perhaps I am a magician, but not the equal of those who advocate the issuance of these silver certificates. Under section 12 redemption of these silver certificates is made by delivering the bullion received in the first instance, plus the premium of \$400,000,000.

Under section 10 I call attention to the language that these silver certificates shall be used for the payment of debts and dues, public and private, of whatever kind or description, and then occurs the significant language: "And when accepted by the Government shall be reissued and in all respects shall become a part of the lawful money of the United States."

Mr. Speaker, I submit that when those silver certificates are called in under redemption or are redeemed and the bullion paid out, there will be nothing remaining behind them, there will be no reserve behind them whatsoever. The Federal Treasury will be in the red to the extent of \$2,000,000,000 on the second redemption and, mark my word, the speculators and operators will be busy.

Mr. PARSONS. Mr. Speaker, will the gentleman yield?

Mr. ELTSE of California. I yield to the gentleman from Illinois.

Mr. PARSONS. This is the identical language under which silver certificates are issued now. We do not issue silver certificates if the bullion is taken out of the Treasury now.

Mr. ELTSE of California. That is not what the bill states.

Mr. PARSONS. This is the same operation identically that the Treasury follows in issuing silver certificates against silver dollars at the present time. The gentleman knows that is the fact.

Mr. ELTSE of California. I submit this bill shows on its face that it is possible for silver certificates to be issued without one bit of silver reserve behind them. Greenbacks! [Here the gavel fell.]

Mr. SOMERS of New York. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, before closing this debate I desire to read a letter that the Secretary of the Treasury has written and asked me to present to the Membership of the House. This letter is dated March 19, 1934, and is as follows:

HON. ANDREW L. SOMERS,

*Chairman Committee on Coinage, Weights, and Measures,
House of Representatives.*

MY DEAR MR. SOMERS: It appears from newspaper accounts that some Members of Congress have not been correctly informed or have misunderstood statements I made at the press conference on Thursday of last week, as to an inquiry into holdings of silver stocks and their connection with the advocacy of silver legislation. The record of the regular press conference held in my office on Thursday morning reveals the following questions and answers:

"Q. What will happen to that investigation about stocks of silver in this country?—A. We haven't a final report.

"Q. What was the real purpose of that?—A. To find out if all these silver advocates were entirely disinterested.

"Q. That's just what I thought. Have you found anybody interested?—A. We have found some that were not disinterested. If and when we complete the report we will give out the whole thing at one time—if we ever give it out."

Since I had met with the members of your committee immediately before the press conference, some who read the newspaper accounts of the conference gained the impression that I might have been referring to Members of Congress as among the "silver advocates" who were "not disinterested." The fact is that there was no connection between the discussion in the press conference about the presence of the members of the Coinage Committee and that relating to the silver inquiry, and my reference to silver advocates had no reference to Members of Congress. However, as soon as I learned of the wrong impression gained from my statements I immediately took steps to correct it. Newspapersmen were at once notified that the statement that some "silver advocates" were not disinterested had no reference to any Members of Congress and later in the day I again called the newspapersmen in the Treasury Department into conference and made the following statement to them:

"What I asked you to come up for is this: My remarks about interested parties in silver seem to have been misunderstood in certain quarters, and I want to say this: That, as far as the investigation goes, we have found that there is no Member of Congress who is a buyer of silver."

I am referring this to you because it seems to me quite important that consideration of this subject should not be obscured by any erroneous statements or misunderstandings.

Sincerely yours,

H. MORGENTHAU, Jr.,
Secretary of the Treasury.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. SOMERS of New York. I yield to the gentleman from New York.

Mr. SNELL. Will the gentleman tell the Members of the House whether the Secretary of the Treasury is for or against this bill? The Secretary is quoted in the morning papers as being opposed to the bill.

Mr. SOMERS of New York. I am sorry I cannot explain the quotation in the morning paper, but I think Mr. DIES has made it very clear to the House that the Secretary of the Treasury has no definite objection to this bill. However, he did say that inasmuch as he is studying the silver legislation or the possibility of silver legislation he would not at this time make any recommendation for or against silver legislation.

Mr. SNELL. Does not the gentleman think from the statement made by the Speaker of the House this morning that the Speaker believes the Secretary of the Treasury is opposed to this bill?

Mr. SOMERS of New York. I do not know what the Speaker said. Unfortunately, I am not in his confidence, and I did not hear him make any statement.

Mr. SNELL. I wish the gentleman would tell us whether the administration is for or against the bill.

Mr. MARTIN of Colorado. Will the gentleman yield?

Mr. SOMERS of New York. I yield to the gentleman from Colorado.

Mr. MARTIN of Colorado. Does not the gentleman think the Secretary of the Treasury should come before his committee and give the committee any information in his possession relative to silver speculators?

Mr. SOMERS of New York. I do not know what the problems of the Secretary of the Treasury are. I venture

to say that in the few months he has served it is impossible for him to study all these great questions, and I shall not criticize him.

May I address myself for the moment that remains to this particular bill? I am sorry I cannot yield further.

Like the gentleman from Massachusetts, I, too, want to get down to fundamentals. The two great problems that we are facing in this country, Mr. Speaker, are an inadequacy in our monetary reserve and a surplus of agricultural products.

[Here the gavel fell.]

The SPEAKER. The question is on the motion of the gentleman from New York [Mr. SOMERS] to suspend the rules and pass the bill.

Mr. SNELL. Mr. Speaker, on that I ask a division.

Mr. SOMERS of New York. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 258, nays 112, not voting 61, as follows:

[Roll No. 110]
YEAS—258

Adams	Dowell	Kloeb	Romjue
Allgood	Doxey	Kniffin	Rudd
Arens	Driver	Knutson	Ruffin
Arnold	Duncan, Mo.	Kocalkowski	Sabath
Ayers, Mont.	Dunn	Kopplemann	Sadowski
Ayres, Kans.	Durgan, Ind.	Kramer	Sanders
Bailey	Eagle	Kurtz	Sandlin
Bankhead	Edmiston	Kvale	Schaefer
Beam	Elcher	Lambertson	Schuetz
Belter	Ellzey, Miss.	Lambeth	Schulte
Berlin	Faddis	Lamneck	Scrugham
Biermann	Fiesinger	Larrabee	Sears
Black	Fitzgibbons	Lee, Mo.	Secrest
Blanton	Fitzpatrick	Lesinski	Shallenberger
Boehne	Fletcher	Lewis, Colo.	Shoemaker
Boileau	Ford	Lindsay	Sinclair
Boylan	Frear	Lloyd	Sirovich
Brown, Ga.	Frey	Lozier	Smith, Wash.
Brown, Ky.	Fuller	Ludlow	Snyder
Brown, Mich.	Fulmer	Lundeen	Somers, N.Y.
Browning	Gambrill	McCarthy	Spence
Buchanan	Gasque	McClintic	Steagall
Buck	Gilchrist	McDuffie	Strong, Tex.
Bulwinkle	Gillespie	McFarlane	Stubbs
Burke, Calif.	Gillette	McGrath	Summers, Tex.
Burke, Nebr.	Glover	McGugin	Swank
Busby	Granfield	McReynolds	Sweeney
Byrns	Gray	McSwain	Tarver
Cady	Greenway	Mansfield	Taylor, Colo.
Caldwell	Greenwood	Marland	Terrell, Tex.
Cannon, Mo.	Gregory	Martin, Colo.	Terry, Ark.
Carden, Ky.	Griswold	Martin, Oreg.	Thom
Carmichael	Haines	Mead	Thomason
Carpenter, Kans.	Hancock, N.C.	Meeks	Thompson, Ill.
Carpenter, Nebr.	Harlan	Miller	Thompson, Tex.
Cartwright	Hart	Milligan	Thurston
Cary	Harter	Mitchell	Truax
Castellow	Hastings	Monaghan, Mont.	Turner
Chapman	Healey	Montet	Umstead
Chase	Henney	Morehead	Vinson, Ky.
Chavez	Hildebrandt	Murdock	Wallgren
Church	Hill, Ala.	Musselwhite	Walter
Coffin	Hill, Knute	Nesbit	Warren
Colden	Hill, Samuel B.	O'Connor	Wearin
Collins, Miss.	Hoepfel	O'Malley	Weaver
Colmer	Hoidale	Oliver, Ala.	Weideman
Condon	Hope	Owen	Welch
Connery	Howard	Palmisano	Werner
Cooper, Tenn.	Hughes	Parks	West, Ohio
Cox	Imhoff	Parsons	West, Tex.
Cravens	Jacobson	Patman	White
Crosby	James	Peavey	Whittington
Cross, Tex.	Jeffers	Peterson	Wilcox
Crosser, Ohio	Jenckes, Ind.	Pettengill	Willford
Crump	Johnson, Minn.	Pierce	Wilson
Cummings	Johnson, Okla.	Polk	Withrow
Dear	Johnson, Tex.	Ramsay	Wolverton
Deen	Johnson, W.Va.	Randolph	Wood, Ga.
Delaney	Jones	Rankin	Wood, Mo.
DeRouen	Kee	Rayburn	Woodruff
Dickinson	Keller	Reilly	Young
Dies	Kelly, Ill.	Richards	Zioncheck
Dingell	Kelly, Pa.	Robinson	The Speaker
Dirksen	Kennedy, Md.	Rogers, N.H.	
Dobbins	Kerr	Rogers, Okla.	

NAYS—112

Andrew, Mass.	Bloom	Celler	Culkin
Andrews, N.Y.	Boiton	Christianson	Darden
Bacharach	Britten	Clarke, N.Y.	Darrow
Bakewell	Brunner	Cochran, Mo.	De Priest
Beck	Burch	Cochran, Pa.	Ditter
Beedy	Burnham	Connolly	Dockweiler
Blanchard	Carter, Calif.	Cooper, Ohio	Dondero
Bland	Carter, Wyo.	Corning	Doughton

Doutrich	Jenkins, Ohio	Moran	Stalker
Drewry	Kahn	Mott	Stokes
Eltse, Calif.	Kennedy, N.Y.	Oliver, N.Y.	Strong, Pa.
Englebright	Kenney	Parker	Studley
Evans	Klinzer	Peyser	Sutphin
Farley	Lanzetta	Plumley	Swick
Fernandez	Lea, Calif.	Powers	Taber
Fish	Lehlbach	Prall	Taylor, Tenn.
Foss	Luce	Ramspeck	Thomas
Gavagan	McCormack	Ransley	Tinkham
Gifford	McLean	Reece	Tobey
Goodwin	McLeod	Reed, N.Y.	Traeger
Goss	Maloney, Conn.	Rich	Turpin
Griffin	Maloney, La.	Richardson	Utterback
Hancock, N.Y.	Mapes	Robertson	Wadsworth
Hartley	Marshall	Rogers, Mass.	Whitley
Hess	Martin, Mass.	Seger	Wigglesworth
Higgins	Merritt	Sisson	Wolcott
Holmes	Millard	Smith, Va.	Wolfenden
Huddleston	Montague	Snell	Woodrum

PRESENT—1

Ellenbogen

NOT VOTING—61

Abernethy	Collins, Calif.	Hamilton	Perkins
Adair	Crowe	Hollister	Pou
Allen	Crowther	Kleberg	Reid, Ill.
Auf der Heide	Cullen	Lanham	Shannon
Bacon	Dickstein	Lehr	Simpson
Boland	Disney	Lemke	Smith, W.Va.
Brennan	Douglass	Lewis, Md.	Sullivan
Brooks	Duffey	McFadden	Taylor, S.C.
Brumm	Eaton	McKeown	Treadway
Buckbee	Edmonds	McMillan	Underwood
Cannon, Wis.	Flannagan	May	Vinson, Ga.
Carley, N.Y.	Focht	Moynihan, Ill.	Waldron
Cavicchia	Foulkes	Muldowney	Williams
Claiborne	Goldsborough	Norton	
Clark, N.C.	Green	O'Brien	
Cole	Guyer	O'Connell	

So (two thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. McKeown and Mr. Muldowney (for) with Mr. Bacon (against).
Mr. Guyer and Mr. Pou (for) with Mr. Perkins (against).
Mr. Lemke and Mr. Cannon of Wisconsin (for) with Mr. Focht (against).
Mr. Kleberg and Mr. Lehr (for) with Mr. Treadway (against).

Until further notice:

Mr. Green with Mr. Cavicchia.
Mr. Taylor of South Carolina with Mr. Disney.
Mr. Abernethy with Mr. Brennan.
Mr. Shannon with Mr. Smith of West Virginia.
Mr. Clark of North Carolina with Mr. Claiborne.
Mr. Dickstein with Mr. Boland.
Mr. O'Brien with Mr. Williams.
Mr. Cole with Mr. Duffey.
Mr. Lewis of Maryland with Mr. Hamilton.
Mr. Crowe with Mr. Adair.
Mr. Foulkes with Mr. Brooks.
Mr. Lanham with Mr. Buckbee.
Mr. Cullen with Mr. McFadden.
Mr. Vinson of Georgia with Mr. Crowther.
Mrs. Norton with Mr. Hollister.
Mr. Sullivan with Mr. Simpson.
Mr. Flannagan with Mr. Waldron.
Mr. Douglass with Mr. Allen.
Mr. Underwood with Mr. Collins of California.
Mr. Auf der Heide with Mr. Brumm.
Mr. McMillan with Mr. Edmonds.
Mr. O'Connell with Mr. Moynihan of Illinois.
Mr. May with Mr. Eaton.
Mr. Goldsborough with Mr. Reid of Illinois.

The SPEAKER. The Clerk will call my name:

The Clerk called Mr. RAINEY's name, and he voted "yea."

Mr. DISNEY. Mr. Speaker, I wish to vote "yea."

The SPEAKER. Was the gentleman in the room listening when his name was called?

Mr. DISNEY. No, Mr. Speaker, I was not.

The SPEAKER. The gentleman does not qualify.

The result of the vote was announced as above recorded.

H.R. 7581—EXTENSION OF REMARKS

Mr. SMITH of Washington. Mr. Speaker, the bill of the gentleman from Texas [Mr. DIES] is of vast importance and benefit to the country and should be passed by the required two-thirds vote here today and sent to the Senate, where it will undoubtedly be passed and go to the President for his approval, and I feel sanguine that President Roosevelt, who is friendly to the silver cause, will affix his signature so that it will become the law of the land.

I shall not attempt any extended discussion of the silver question today, for I delivered a speech of considerable

length on the subject when the gold devaluation bill was before the House for consideration in January. I shall, therefore, on this occasion merely recapitulate the remarks I made on that occasion and present a summation of what I deem to be the unanswerable facts in favor of the measure proposed by the able gentleman from Texas [Mr. DIES] who has made a special study of the silver question.

This bill will create a board, consisting of the President and the Secretaries of the Treasury, Commerce, and Agriculture, and vest said board with authority to negotiate the exchange of surplus American farm products for silver and to pay a maximum 25 percent above the world market price for silver shipped into the United States in payment for the exported agricultural products and issue new silver certificates based on that metal to pay for the silver thus obtained in payment.

What would be the effects attained by this legislation?

First. We would dispose of our surplus farm products to the silver-using nations of the Far East and thereby enhance the value and price of the remainder to the American farmer who would thus be immediately and directly benefited in two respects. The new silver money (certificates) received by the farmer would circulate freely in all the farming communities of the United States and thereby we would increase the volume and velocity of our circulating medium, which everybody realizes needs to be done. This new silver money placed in the hands of the farmer would continue to be turned over and create an augmented spending power and purchasing power affecting every branch of business and industry.

Second. The resultant increase in the value and price of silver in the world market would increase the domestic price of silver in the United States and thereby benefit every silver-producing State and cause more employment, pay rolls, and industrial and business activity, and a greater demand for necessary supplies and goods from other States and aid business recovery.

Third. The increase in the price and value of silver in the world market would also add immeasurably to the purchasing and spending power of the Orient, Mexico, and South America, who would be placed in a better position to buy our lumber, salmon, and manufactured articles of all kinds and resume their trade and commerce with the United States, which has been curtailed to a minimum on account of the low price of silver, and also gain for our Nation their amity, good will, and friendship.

Fourth. This enlarged foreign demand for American products would increase the income of our laborers, farmers, merchants, and manufacturers.

Fifth. This legislation would prove a forward stride toward the remonetization of silver, and therefore I favor it.

After many years of investigation and study of the monetary problem, I have come to the conclusion that silver as a primary money metal should never have been demonetized and the congressional action which brought it about in 1873 was a crime against the American people, for which we have paid dearly, and the sooner this wrong is righted the better.

The single gold standard has failed and is responsible for the rule and control of money—which is economic control—by the international bankers of Europe and America, and is closely identified and linked with the vicious system of issuing Government bonds drawing interest to bankers in order that the money of the Federal Government may be issued to the bankers and utilized by them for their private profit and aggrandizement and the exploitation of the people and the Government itself.

Mr. Speaker, restore silver as a primary redemption money on a parity with gold at a regulated ratio, and we would strike a real blow for human liberty and happiness in the United States and throughout the world, for our action would be followed by similar action by every nation in the civilized world with which the United States carries on commercial relations.

Mr. Speaker, let us then cease printing tax-exempt interest-bearing bonds and issuing money to the banker,

and instead issue the money direct to the people, based upon silver and gold as a metallic base, which would be sound, honest money, issued for service instead of profit, and we would "drive the money changers out of the temple."

Mr. GLOVER. Mr. Speaker, ladies, and gentlemen, the bill under consideration today is right in principle and will help, in my opinion, to give us a market for our surplus agricultural crops, such as cotton, wheat, rice, and other crops. This bill provides for the exchange of our surplus crops and take silver bullion for them at the market price for silver.

The Constitution provides for both gold and silver money, and nobody would dare say that money issued on this bullion was fiat money. It would raise immediately the price that farmers would get for their crops when sold on a foreign market. The reason that we are burdened now with a surplus of cotton is the fact that nations that are now growing the short-staple cotton were forced to raise it by reason of the fact that we were on a gold standard of money and they on a silver standard, and their dollar in silver was only worth about 25 cents under the gold standard, and when they came here to buy cotton with their silver they paid 20 cents per pound, and the farmer who raised it got 5 under the gold standard. If this bill passes—and I hope it will—it is my belief that the nations that are now growing 12,000,000 bales of short-staple cotton will quit growing it and buy our cotton as they once did. This bill has the approval of the farmers generally and it will help them materially. We should have a double standard of money and tie the two together so that one is just as good as the other and the Government backing each of them alike. I see no reason why anyone should oppose this bill. We hear newspapers howling about printing-press money. That is the only kind that you have now except a little silver to make change with. Silver has always been the money that was kept in circulation. Gold would hide away, but silver has kept in circulation. There is but little money now actually in circulation. It is in the banks, but it is not in circulation as it should be. The banks, of course, have to be careful, for they are handling the other fellow's money. I am glad that I have the chance to vote for this bill. I introduced a bill 3 years ago to put \$2,000,000,000 in silver in circulation, and if it had been done then it would have averted this panic in my opinion.

Mr. WHITE. Mr. Speaker, the opponents of silver legislation in an effort to discredit the metal are raising the cry of "speculation" against its advocates. This seems to have caught the attention of the Secretary of the Treasury, Mr. Morgenthau, who expresses concern of the speculators' interest in silver.

It is suggested that the Secretary might investigate the profits made by the speculators in gold in recent months as a result of Government legislation recommended by his Department. The importers have turned into the Treasury 15,714,286 ounces reported since the proclamation setting an increase value of \$14.33 per ounce on gold which yielded to the speculators of gold \$225,185,713.33 or \$25,000,000 more money than the total amount used by the Government to buy silver under the Pittman Act when we had the highest commodity prices and the best times ever known in this country. Secretary Morgenthau might give a thought to the advantage the gold devaluation bill gives to our trade rivals of the British Nation, producing approximately 70 percent of the world gold. Great Britain and its possessions produced 16,428,000 ounces of gold in 1933 with an increased purchasing power in this country of \$235,413,240. When we realize we have given this advantage to our competitors in purchasing the commodities produced in this country we might pause to consider that if temporary profits attendant on monetary changes due to the proposed increase in the price of silver is to be taken into consideration in passing legislation, we should realize our domestic mining industry supporting some of our finest communities, and in times of prosperity providing some of our best markets, is surely entitled to more consideration than the gold-mining industry of South Africa with its Negro compounding and semislave labor which produces 50 percent of

all the world's gold. It is to be wondered if our people are fully cognizant of the vast advantage we have placed in the hands of our competitors for trade and business, an advantage that could be discounted and reduced by the remonetization of silver.

Mr. STUDLEY. Mr. Speaker, the heresy of trying to advance the price of silver by act of Congress has again arisen. This heresy was slain by our people in 1896.

But it has again been brought to life.

Let us turn back the pages of our recent history.

Within the memory of many of us now in the Congress the Silver Purchase Act of July 14, 1890, was enacted. This act provided in substance that the Government must purchase monthly 4,500,000 ounces of silver bullion and that the Secretary of the Treasury should issue in payment therefor Treasury notes redeemable on demand in gold or silver coin at the discretion of the Secretary of the Treasury, and that said notes may be reissued. It was declared in the act to be—

The established policy of the United States to maintain the two metals on a parity with each other upon the then legal ratio, or such other ratio as may be provided by law.

The action of the Secretary of the Treasury was so controlled by the above declaration as to prevent his exercising the discretion nominally vested in him. It is at once apparent that if the Secretary refused to pay these Treasury notes in gold, if demanded, they would stand discredited and would suffer a depreciation as obligations payable only in silver; this would destroy the parity between the two metals by establishing a discrimination in favor of gold.

More than \$147,000,000 of these Treasury notes had been issued in payment of purchases of silver bullion by July 15, 1893. A large proportion of these notes given in the purchase of silver bullion had been paid in gold out of the Treasury. Between May 1, 1892, and July 15, 1893, these Treasury notes issued in payment of silver bullion amounted to a little more than \$54,000,000, and during the same period about \$49,000,000 was paid out by the Treasury in gold for the redemption of such notes.

This policy made the depletion of our Treasury gold reserves easy, and the European nations immediately took advantage of such a soft opportunity. Our gold reserves in our Treasury were promptly depleted. Between July 1, 1890, and July 15, 1893, the gold in our Treasury was decreased by more than \$132,000,000, while during that same period the silver coin and bullion in our Treasury increased by more than \$147,000,000.

The implacable law of economics could not be stayed even by an act of the Congress. Grimm's law went grimly and irresistibly forward, and the cheaper metal drove the dearer metal out of circulation.

When the Silver Purchase Act of July 14, 1890, was enacted it was hailed as sure to advance the price of the white metal. But the price of silver, obedient to economic laws, went down, and down, and then further down as the purchases increased until its price reached the lowest point ever known up to that time.

The situation with the Treasury grew steadily worse notwithstanding the sales of Government bonds made to reinforce the gold reserves, and on the 1st day of December 1895, within less than 5½ years there had been withdrawn from the Treasury nearly \$375,000,000. Nearly \$327,000,000 of the gold thus withdrawn had been paid out on these Treasury notes, and all of the \$346,000,000 was then still uncanceled and ready to be used to draw more gold from the Treasury.

In his special message to the Congress of August 8, 1893, and again in his third annual message of December 2, 1895, President Cleveland earnestly besought the Congress for remedial legislation. Meanwhile, on November 1, 1893, the silver purchase law had been repealed, but at that time the mischief had been done and the Treasury notes had been issued which had wrecked our Treasury's gold reserve and made our fiscal system the gullible objective of the nations of Europe.

In his special message above referred to, President Cleveland used the following language, which has since become one of the high lights of Democratic doctrine with reference to our financial structure:

The people of the United States are entitled to a sound and stable currency and to money recognized as such on every exchange and in every market of the world. Their Government has no right to injure them by financial experiments opposed to the policy and practice of other civilized states, nor is it justified in permitting an exaggerated and unreasonable reliance on our national strength and ability to jeopardize the soundness of the people's money.

Mr. PETTENGILL. Mr. Speaker, I think the Bankhead cotton bill is the wrong way to reach a right result.

I favor the Dies silver bill as a right step, in part, to a correct conclusion, both with reference to cotton and other commodities.

First, some objections to the cotton bill. What cotton needs is an expansion of export markets. This bill reduces production in a world that is half clothed. It not only does nothing to secure the only permanent relief possible for the Cotton Belt but, in addition, it stands idle while the rest of the world steps up production to fill the export markets we formerly enjoyed. When our competitors in Egypt, India, and southeastern Russia have once supplied this market, we shall win it back, if at all, only with the greatest difficulty. What we lose while applying the wrong remedy is apt to be lost forever.

Second, the bill may, temporarily, benefit the plantations growing 500 to 5,000 bales, but it does not recognize the necessities of the share-cropper or tenant whose meager income is already down to the iron margin of existence. He, too, must reduce. If he does not, he goes to jail. Some margin of mercy should be left to him. We exempt from income tax those whose incomes do not exceed a certain minimum. This bill does not recognize this principle.

Let me quote Dr. Clarence Poe, editor of the *Progressive Farmer and Southern Ruralist*, a man who was born on a little farm in the South, who received 6 months free-school education, yet has built up a great journal of agriculture with a million readers. That is his credential to respect. Dr. Poe says:

As I pointed out in my article, *The Right of the Little Man to Live*, there ought to be a reasonable minimum below which we would not require a farmer to cut his acreage. * * * Probably no one * * * should be required to drop below * * * eight bales of cotton.

Eight bales at present prices would bring but \$480 if he got all of it. But if he was a tenant or share-cropper, he would have to give his landlord half or a third of that. I do not believe the grower of eight bales should be required to make any sacrifices by taxation to the solution of the cotton problem. I, too, believe in the right of the little man to live.

Third, there is no machinery in the bill to hold an election. There is no assurance that the minority will be given an honest right to vote on a question that affects them as profoundly as any question open to suffrage. The bill reads, "When the Secretary of Agriculture finds", and so forth. Will the Negro farmer, for example, have the right to vote or will he not? If not, it is "taxation without representation."

I think these doubts are justified by reason of the history of the bill thus far.

As originally drawn the bill provided that "whenever the Secretary of Agriculture finds that two thirds of the persons", and so forth. As amended by the committee it calls for a finding with respect to "the persons who own, rent, share crop, or control two thirds of the land * * * on which cotton is produced." Two thirds of the persons and two thirds of the land are not the same thing.

The chairman of the committee has stated on the floor that the reason for the change was "that those who would have charge of the administration of the act felt it would be much more difficult to ascertain when they had gotten two thirds of the individuals than it would be when they had gotten representatives of two thirds of the acreage." It would be "more difficult."

It is now proposed to go back to "two thirds of the persons." Persons are to vote, not acres. That is right. But the point is worth noting to illustrate how close this bill got to the feudalism which we thought we had abandoned forever.

I do not know whether any kind of a vote—majority, two thirds, three fourths, or nine tenths—may constitutionally control, against their will, the use of their own land by the minority. I doubt if it can under many decisions of the Supreme Court, including *Federal Compress & Warehouse Co. against McLean* and *Chassaniol against Greenwood*, decided within the last 3 months. Both of these were cotton cases, and held that cotton, until it begins to move in interstate commerce, is entirely within the tax jurisdiction of the States within which the cotton is grown, and, therefore, by strong inference, outside of the power of Congress.

The number of persons who own "two thirds of the land" are probably a minority of the total cotton growers of the Nation. Indeed, if the cotton land of the South held by the few is at all in proportion to the total wealth of the Nation held by the few, it is a moral certainty that this plan under the amendment could be placed in operation by a small minority of the total cotton growers against the will of the majority.

That would not be democracy. It would be feudalism. Or fascism.

It may well be that two thirds of total acreage should be taken into consideration as well as two thirds of total growers. But the bill is not only to control cotton. It is to control men. It is not only to restrict production. It is to restrain producers; and under the amendment—which is now to be abandoned—a minority of producers could restrain a majority of producers.

There is something beside cotton involved here. There is "life, liberty, and the pursuit of happiness." The dignity of the human soul was here at stake.

For the first time in many decades in this country it was seriously proposed by the amendment that property was to vote, not men. Let us pause upon that statement. To me it has an ominous sound—none more so in my lifetime. Two thirds of property was to have the power, the legal statutory power, to outvote two thirds of human beings. I wonder what Lincoln or Jefferson would have thought of this. I do not believe that the amendment carried out the social viewpoint of President Roosevelt.

On this point, I would make certain that the humblest citizen with one mule and an acre of land should not be outvoted by the broad acres of the "lord of the manor" himself. I would make certain by the machinery of an honest election that two thirds of the human beings whose lives and happiness are involved shall consent as well as two thirds of the acres.

Unless we preserve this principle we shall not preserve America.

I am glad the right of acres to vote has been abandoned. I have mentioned it to justify my present doubts as to how the will of the two thirds is to be "found" by the Secretary of Agriculture.

Next, as to silver. The Dies bill is to encourage the sale of cotton in exchange for silver. This should do two things—enable foreign buyers to take our cotton, and at the same time increase our silver base against which money can be issued in which our people will have confidence. The result will be to expand our currency on a sound foundation, thus raising prices at home, and finding markets abroad, not only for cotton, but wheat, tobacco, and many other products of our farms and factories, which in turn will increase employment and thus rebuild our domestic market while expanding our foreign market.

Seventeen Studebaker cars out of one hundred, for example, are now sold abroad. That percentage will increase as we encourage our foreign markets. Increasing prices and increasing wages from employment will make it again possible to carry our crushing burden of debt.

We must not forget that there are a billion people in foreign lands, users of silver, who are potential buyers of our goods. Why not sell to them?

RELIEF OF WATER USERS ON IRRIGATION PROJECTS

Mr. CHAVEZ. Mr. Speaker, I move to suspend the rules and pass the bill (S. 2534) to further extend the operation of the act entitled "An act for the temporary relief of water users on irrigation projects constructed and operated under the reclamation law", approved April 1, 1932, as amended.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to extend such provisions of the act entitled "An act for the temporary relief of water users on reclamation projects constructed and operated under the reclamation law", approved April 1, 1932 (47 Stat. 75), as extended by the act of March 3, 1933 (47 Stat. 1427), as relate to the deferment of payment of certain water-rights charges for the years 1931, 1932, and 1933, in like manner to all similar charges coming due for the year 1934. The Secretary of the Interior is further authorized, upon the acceptance by the Uncompahgre Valley Water Users Association of the moratorium act of April 1, 1932, and its amendments, including this act, to enter into a contract with the association deferring the initiation of its drainage construction program until January 1, 1936, and permitting the completion of said drainage program during the years 1936 to 1941, both inclusive, under the conditions set out in the act of January 31, 1931 (47 Stat. 1947), as herein modified, and to extend such provisions of such section 3 as relate to certain water-rights charges on the Grand Valley reclamation project in like manner to all similar charges coming due for the year 1934.

SEC. 2. Interest on the charges for which the time of payment is extended pursuant to this act shall be payable at the same rate and under the same conditions as those prescribed in such act of March 3, 1933, with respect to the charges for the years 1931, 1932, and 1933.

The SPEAKER. Is a second demanded? [After a pause.] If not, the question is on the motion of the gentleman from New Mexico to suspend the rules and pass the bill.

Mr. SNELL. Mr. Speaker, are we not going to have the bill explained?

The SPEAKER. No one has demanded a second.

Mr. SNELL. Then, I shall demand a second. I think, in all fairness, on a matter of this kind, the House should at least be told what is in the bill. I was under the impression the gentleman from Wyoming [Mr. CARTER] was going to demand a second.

Mr. CHAVEZ. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. The gentleman from New Mexico asks unanimous consent that a second be considered as ordered, although the Chair has not heard anyone demand a second.

Mr. SNELL. Mr. Speaker, I demand a second.

Mr. BLANTON. Mr. Speaker, let us be liberal and give the gentleman from New York a second, even though he did not demand it.

The SPEAKER. The Chair recognizes the gentleman, and, without objection, a second will be considered as ordered.

There was no objection.

Mr. CHAVEZ. Mr. Speaker, on April 1, 1932, Congress passed a bill granting a moratorium for the years 1931 and one half of 1932 to irrigation districts in the payment of construction charges. On March 3, 1933, the provisions of the original act were extended a year and a half, granting in all a 3-year moratorium, from 1931 to 1933, inclusive. This bill is simply to extend the provisions of those acts for the year 1934.

As the gentleman knows, under the reclamation act construction charges have to be paid to the Government by the irrigation districts, and this bill provides that the construction charges for the year 1934 be deferred to the future.

Mr. SNELL. How many times have we deferred these charges?

Mr. CHAVEZ. This is only the third time.

Mr. SNELL. Only the third?

Mr. CHAVEZ. Yes; and I may say to the gentleman from New York that up to the year 1930 every one of the districts throughout the country—and there are some 27 of them—had made its full payment to the Government; but, as the gentleman will see from the report, their revenue from crops has gone down in some instances from \$90 an acre to \$26 an acre, owing to the price of farm products. The gentleman can readily understand they are not in position to pay these charges, and all they are asking is that you continue the

debt just a little while longer. We are not giving them a thing. The bill does not carry any appropriation and does not interfere with the financial program of the administration.

Mr. CULKIN. Will the gentleman yield?

Mr. CHAVEZ. Yes.

Mr. CULKIN. I note there is a distinction here with respect to the Uncompahgre Valley. Was that amendment put on in the Senate?

Mr. CHAVEZ. No; I will explain that particular feature of the bill to the gentleman. The Uncompahgre Valley project is in Colorado, and there were provisions for a moratorium in a special bill. This is a general bill applying to all irrigation projects.

Mr. CULKIN. May I ask the gentleman whether that particular project is now in production?

Mr. CHAVEZ. I will yield to the gentleman from Colorado [Mr. TAYLOR] to answer the gentleman.

Mr. CARTER of Wyoming. I may say to the gentleman that that is the oldest irrigation project in the United States.

Mr. TAYLOR of Colorado. In further answer to the gentleman from New York, I may say that 2 or 3 years ago there was some land on this project that became water-soaked, and the Reclamation Service, through an act which I had the honor of passing, waived all construction charges for 5 years with the understanding that a certain amount of money would be spent on drainage work.

Mr. CULKIN. I think we had that matter up last year and discussed it at that time.

Mr. TAYLOR of Colorado. Yes; this project is one of the oldest in the United States. It has been in active operation for 25 years.

Mr. CULKIN. I should also like to inquire of the chairman with reference to the Grand Valley reclamation project. The main point I am interested in is whether or not it is in production.

Mr. CHAVEZ. The Grand Valley project is also in Colorado; and I yield to the gentleman from Colorado.

Mr. TAYLOR of Colorado. Yes; that project is in production.

Mr. CULKIN. So the gentleman can state to the House that there is no new reclamation project involved?

Mr. CHAVEZ. Not an acre of additional land is involved.

Mr. TAYLOR of Colorado. No; nothing of that sort.

Mr. DOWELL. The extension of this matter will not bring any further land into cultivation?

Mr. TAYLOR of Colorado. No.

Mr. CHAVEZ. Nothing of that sort is involved.

The SPEAKER. The question is on the motion of the gentleman from New Mexico to suspend the rules and pass the bill.

The question was taken; and two thirds having voted in favor thereof, the rules were suspended, and the bill was passed.

INVESTIGATION OF RATES FOR ELECTRICAL ENERGY

Mr. RANKIN. Mr. Speaker, I move to suspend the rules and pass Senate Joint Resolution 74, authorizing necessary funds to conduct investigations regarding rates charged for electrical energy, and to prepare a report thereon.

Mr. MARTIN of Massachusetts. Mr. Speaker, I thought the Chair had stated that there would be no further suspensions this afternoon.

The SPEAKER. The Chair thought that the gentleman from Mississippi had left the room. [Laughter.]

Mr. SNELL. Mr. Speaker, it seems to me that this ought not to be brought up at this time. I do not see the gentleman on the other side here.

Mr. RANKIN. There is a member of the committee sitting right in front of the gentleman, one of the ablest Republicans in the House.

Mr. SNELL. In all fairness, Mr. Speaker, when we informally understood that no more suspensions would be brought up this afternoon, it is hardly fair to bring this up

at this late hour. I do not see the gentleman from Ohio [Mr. COOPER] present.

Mr. RANKIN. There is little or no opposition, in my opinion, to this bill. I introduced the bill several weeks ago, and it was also introduced by Senator NORRIS in the Senate. The bill passed the Senate almost immediately. Owing to the fact that the Committee on Interstate and Foreign Commerce was engaged with other matters, it took some time to get a hearing on the bill and get it reported out of the committee. This bill is to take the census of the light and power rates throughout the country.

Mr. SNELL. Mr. Speaker, the gentleman from Ohio [Mr. COOPER] left the House because he was informed that this bill would not come up, after I had sent a man to consult with the Speaker. I do not think this ought to be brought up at this time, and I shall do what I can to delay it.

Mr. RANKIN. Will the gentleman agree that it may be taken up by unanimous consent tomorrow?

Mr. SNELL. I can tell better after I consult the minority members of the committee. I want to know what their position is.

Mr. RANKIN. I do not wish to take any undue advantage of anyone. There is no adverse report on the bill. If there is any opposition to it, it does not show in the report.

Mr. BLANTON. The gentleman from Mississippi can call it up under suspension now if he desires to do so, but he wants to grant the minority leader a chance to consult about it. Why not agree that it may be taken up tomorrow?

The SPEAKER. The Chair will say to the gentleman from Mississippi that he will recognize him to take it up tomorrow; and if there is objection, to take it up first on the next suspension day.

Mr. RANKIN. That is satisfactory.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. HAMILTON, indefinitely, on account of illness.

To Mr. CROWE, for today, on account of important business.

To Mr. BROOKS, indefinitely, on account of serious illness in his family.

To Mr. LANHAM, for today, on account of illness.

To Mr. KLEBERG, for today, on account of illness.

THE MENACE TO AMERICAN DRAMA

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the Dickstein bill, and also on the F.A.C.A.

The SPEAKER. Is there objection?

There was no objection.

Mr. CELLER. Mr. Speaker, House bill 3674, as introduced by Representative DICKSTEIN, of New York, is now being considered in the House of Representatives. It seeks to keep out alien actors unless they be of distinguished merit and ability. Utterly selfish interests have agitated for this bill. I believe that it is without merit. Its passage will greatly impede not only the motion-picture industry but the little that remains of the spoken drama. There is involved therein real menace to American drama. We have already hedged the drama around with many restrictions. Unlike other countries who give it kindly encouragement, we place an admission tax upon it. Other nations subsidize the drama, build state theaters, pension dramatists, and appoint poet laureates. We offer no such encouragements. Instead, we would embargo all alien actors unless they be of distinguished and recognized ability.

H.R. 3674 would put the spoken drama into a strait-jacket. The producer, casting around for actors to play certain parts, should not be fettered. He should not be hamstrung. If he wants an actor or actress to play a particular part, and needs an alien to do so, none should gainsay him. If he wishes a man who speaks British English to play the part of an English butler, he should not be forced to take an American. The American may not be able to

play the part of a frozen-faced, tall English butler. So with a French lady playing a French maid.

Recently I saw the play *The Shining Hour*. It has a cast almost exclusively made up of British actors. Some are and some are not celebrated. The cast is perfect. The removal of any one of these alien actors in this play, which would be one of the results of this bill, would mar its perfection. The play requires the setting-up of a thoroughly British atmosphere and milieu, that would be woefully lacking in the mannerisms and speech of thoroughly American actors. The latter could not give the delicate and sensitive shadings of British character required by this play.

There is a play on the boards called "*Wind and Rain*." It deals with medical students at Edinburgh University. The effect of the play depends altogether on the preservation of the atmosphere of a Scotch boarding house. If some of the alien actors producing that atmosphere were to be barred by this bill, the effectiveness of this play would be destroyed. *Wind and Rain* is essentially a play of atmosphere, not of plot. In the former, particular persons are needed for particular parts. This bill disregards these essentials of drama. *Journey's End* was a play of atmosphere rather than one of plot or story. It concerned the British Tommies in the trenches. It was a drama essentially of British character and setting. As presented here it was a replica of the London production. It was necessary to import some of these British thespians.

The passage of this resolution would have made proper presentation of *Journey's End* impossible. In the play, *Pursuit of Happiness*, a drama about colonial "bundling", the part of the Hessian trooper is played by Tonio Selwart, a Teuton. He is the very keystone of the play. This resolution would bar him. This barring would ruin the play. Frances Lederer, a native of Czechoslovakia, was the very spirit of the play called "*Autumn Crocus*." This bill would have kept out Frances Lederer and destroyed that play as a box-office success. What *Price Glory* was a play indigenous of France. It was essential to have some alien actors in that production, creating the appropriate French atmosphere and character. An all-American cast could not have produced this French background.

The success of *Autumn Crocus*, *Pursuit of Happiness*, *The Shining Hour*, *What Price Glory*, *Journey's End*, and many similar plays, far from reducing American employment, increased it. The success of these plays made possible the employment of scene makers, scene shifters, painters, dress-makers, costumers, designers, stage hands, musicians, bill-posters, printers, advertisers, ushers, charwomen, and so forth.

There is just as much artistry in casting for a play as in painting a picture, composing a symphony, modeling a statue. We would not take away the artist's tints, the sculptor's mallet. By the same token, we should not take away from the producer and the dramatist his right of choice and discretion in play-casting.

Cavalcade, one of the outstanding pictures of the past year, could never have been made if this bill had been enacted into law. Most of its success was due to its entirely English cast. It might have been just another American mob scene.

If we had had a law of this character previously, some of our now-famous stars and actors would have been denied entrance into this country. Many of them achieved fame only after their entrance. George Arliss, Leslie Howard, Charley Chaplin, Marie Dressler, H. B. Warner, Greta Garbo, Norma Shearer, Mary Pickford, Elissa Landi, Clive Brook, Herbert Marshall, Ronald Colman, Dennis King, Claude Rains, and Victor McLaughlin would have been denied entry because when they first came they were far from being recognized for their ability. They were then persons. They have since become personalities. They might have been lost to the spoken drama and motion pictures had this law been in effect.

George S. Kaufman, testifying before the Senate Immigration Committee last year, spoke of the obscurity of Lynn

Fontanne when she first came to this country. I quote him:

No one had ever heard of her. Laurette Taylor had seen her in London. She was a timid, frightened girl who played a 2-minute scene in Miss Taylor's production.

Today she is one of the greatest "draws" on the American stage, affording employment to hundreds of American workmen such as ushers, stage hands, electricians, scene shifters, cleaners, and so forth.

Directors of motion pictures would also be excluded if this bill were enacted. Directors who came here as obscure persons and who later developed are Edmund Goulding and Frank Lloyd, of England; Ernst Lubitsch, Germany; Frank Capra, Italy; and many others. Alexander Korda came to the United States about 8 or 9 years ago. He successfully directed a number of American pictures, but, as he was only here on a temporary visa, the Department of Labor refused to extend his stay and he returned abroad. In the last year he has directed two of the outstanding pictures of the world for an English producing firm, namely "*Henry the Eighth*" and "*Catherine the Great*", thereby creating for the American motion picture industry very serious competition both in the American and foreign markets.

I agree that there may be argument in an immigration-exclusion act excluding alien carpenters and shoemakers. They may displace American skilled workmen. But when it comes to the art of the drama, one actor cannot be replaced necessarily by another actor, an alien by an American. You cannot replace one personality by another. An actor or an artist is not a shoemaker or a blacksmith.

The contention is that we should not permit alien actors to take bread out of the mouths of American actors, and we therefore must put a tariff on the drama. It is not a case of impoverishing American actors. Whether an alien actor comes in or not, the American actor might still be out of a job. It is not a matter of competition of alien actors as against American actors. It is simply a case of bringing over an alien actor to fill certain necessary parts that cannot be played by American actors.

If we embargo alien actors, the next move would be to embargo alien dramatists. The next argument would be "Why should English authors come here and take bread out of the mouths of native authors?" Let us therefore keep out Barry, Shaw, Galsworthy, Pinero, Jones, and Masefield.

This bill will cause international irritation at a time when there is real need for amity and accord. Our President desires to effectuate reciprocal trade agreements with England, France, Spain, and South American countries. This type of chauvinism causes friction and irritation and will tend to make difficult the efforts of President Roosevelt. The Department of Labor figures show comparatively few alien actors in this country, despite assertions to the contrary. The number is inconsequential. This bill therefore is an endeavor to kill a fly with huge cannon. Its sponsors blink at the havoc and menace it involves.

This bill gives the right of censorship to the American consul abroad. He must determine whether an actor is a nonentity or a celebrity—whether he is ordinary or extraordinary. No consul has either the wisdom or the perspicacity to determine that. There is ample evidence submitted in the hearings on this bill by the Chief of the Visa Division of the Department of State indicating the extreme difficulties that would arise under this bill and the embarrassments that would be created for the consuls in passing upon the qualifications of actors applying for entrance.

The effect of this bill on the motion-picture industry would be most disastrous. American movies must essentially be international. A large percentage of the revenue coming to the motion-picture industry is from sales in foreign countries. It is essential for the motion-picture producer to import upon occasion foreign actors. With this bill, their foreign business would be jeopardized. This, in the face of the National Recovery Act, which requires and advocates the building-up of export trade. Greta Garbo,

for example, has increased manifold American pictures in Sweden and Norway. Maurice Chevalier has helped our sales in France. Diana Wynyard has helped American pictures in England. American motion-picture industry has grown great and world-wide not only because of its technical superiority, but also because of the use and exploitation of international creative talent. There must be, for the success of the movies as well as the drama, free flow of talent from one country to another.

It must be remembered also that American talkies in Europe are subtle but effective ads for American goods. They stimulate trade and commerce. They are our greatest salesmen in foreign parts. They actuate and encourage the purchase by foreigners of our typewriters, refrigerators, tractors, motor boats, autos, sewing machines, and other comforts and conveniences of American life.

This bill would indeed be a menace to the spoken drama and the motion-picture industry. It would seriously impede the plans of the administration relative to friendly pacts and reciprocal treaties with other nations.

EXTENSION OF REMARKS

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by printing an analysis made by the Solicitor of the Veterans' Bureau on the amendments in the act passed last week.

Mr. KVALE. Mr. Speaker, I reserve the right to object. Has the gentleman from Illinois made any effort to lay that material before the conferees?

Mr. DIRKSEN. Yes; I have, and at their suggestion I am putting it in the Record, and will return the original copy to them tomorrow.

Mr. BYRNS. What is it?

Mr. DIRKSEN. It is an analysis by the Acting Solicitor of the Veterans' Bureau, Mr. Brady, of the House legislation that went to the conference committee last week.

Mr. BYRNS. Why does the gentleman put it into the Record?

Mr. DIRKSEN. Because it is at variance with some of the statements that appeared in the parallel columns that the gentleman from Texas [Mr. PATMAN] had inserted in the Record, and also at variance with some of the newspaper reports.

Mr. BLANTON. Did the gentleman ask Mr. Brady for this, or did Mr. Brady tender it voluntarily?

Mr. DIRKSEN. He sent it to my office. I asked him over the telephone last Saturday whether he had prepared such an opinion, and he sent me a duplicate.

Mr. BLANTON. Was the gentleman here on Saturday morning when the gentleman from Texas [Mr. PATMAN] corrected an erroneous statement that appeared in these parallel columns?

Mr. DIRKSEN. Yes; but that does not go far enough. I have talked with the gentleman from Texas.

Mr. BOYLAN. Mr. Speaker, I reserve the right to object. I think in all fairness, if this information is of any value it should be submitted to the conferees.

Mr. DIRKSEN. I submitted it to one this afternoon, and at his suggestion I am asking that it go into the Record, and this copy will be turned over to him.

Mr. BOYLAN. Did the gentleman submit it to the chairman of the conferees?

Mr. DIRKSEN. No.

Mr. BLANTON. Mr. Brady is trying to do what?

Mr. DIRKSEN. I do not know that he is trying to do anything except to make a rather dispassionate analysis of the so-called "Taber amendment" in its practical effect upon the veterans.

Mr. BOYLAN. Mr. Speaker, in view of the absence of the chairman of the conferees, and inasmuch as it has not been submitted to us, I shall be constrained to object.

Mr. DIRKSEN. I submitted it to one of the minority members of the conference.

Mr. BOYLAN. I must insist, in the absence of the chairman, on my objection.

Mr. DIRKSEN. Is there any reason why the gentleman should object to my extending my own remarks in putting in this communication sent to me?

Mr. BOYLAN. Yes. Inasmuch as it has not been submitted to the conferees, I regret that I shall have to object.

The SPEAKER. Objection is heard.

COTTON

Mr. ALLGOOD. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by including a statement that I made before the Committee on Agriculture.

The SPEAKER. Is there objection?

There was no objection.

Mr. ALLGOOD. Mr. Speaker, under the leave to extend my remarks in the Record, I include the following:

Mr. FULMER presiding.

Mr. BANKHEAD. Mr. Chairman, I want to introduce to you Mr. ALLGOOD. I will say before he begins that he was formerly commissioner of agriculture in the State of Alabama, and I know no man in the State who is in any better position to give you the attitude of the farmer and his opinion than Mr. ALLGOOD.

Mr. ALLGOOD. I thank Mr. BANKHEAD for his statement. We of the South know that the conditions that confront the cotton farmer at this time are not normal conditions. They are conditions that have grown out of the panic. We are asking Congress at this time to support this measure so that every farmer will do his part. Mr. Chairman, what this bill means is that every cotton farmer will do his part and if he is not willing to do his part voluntarily, then under the bill he will be compelled to come in and do his part.

We in the South have our cotton program, you in the North and West have your dairy program, your corn and hog program, your wheat and other programs that interest you, and we are willing to support your programs, if you will support the program which the producers of cotton think best for them. We all realize that agriculture must prosper in this country because it is the industry that must prosper or all other industries will suffer.

AMERICAN PRINTING HOUSE FOR THE BLIND

Mr. GOSS. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by including a three-page history of the American Printing House for the Blind, which has come up before the Committee on Appropriations. This statement has been prepared by the trustees of the institution.

The SPEAKER. Is there objection?

There was no objection.

Mr. GOSS. Mr. Speaker, under the leave to extend my remarks in the Record, I include the following history of the American Printing House for the Blind, prepared by the trustees of the institution:

At the first convention of American Instructors of the Blind, held in New York City in 1853 a committee, with Dr. Samuel T. Howe, of Boston, as chairman, was appointed to appeal to Congress for national aid for printing for the blind, but nothing came of it. In the South also organized attempts were made to create an establishment for embossing for all the blind of the country. Money for printing was difficult to be had. Mr. J. Morrison Hedy, a blind man of Kentucky, canvassed central Kentucky and collected funds for printing *Paradise Lost*; Jonathan Burr gave to the American Bible Society some \$4,000 for embossing the Bible. In 1858 a charter was obtained from the Legislature of Kentucky establishing the American Printing House for the Blind at Louisville, Ky. Among its charter members were Mr. James Cuthrie, president (Buchanan's Secretary of the Treasury); Mr. William F. Bullock, the founder of Kentucky's public-school system; Dr. T. S. Bell, the most prominent philanthropist in the State. Their successors have been among the ablest, wisest, and noblest men in the community, and they have managed its affairs with the judgment and even-handed justice that was to be expected from such men.

Auxiliary boards were formed in Arkansas, Tennessee, Mississippi, and Louisiana, but the Civil War, by confusing commercial relations, prevented the use of the funds raised by these auxiliary boards for the purpose intended. After the war, in 1865, the State of Kentucky granted an income to the American Printing House for the Blind of \$5 for every blind person in the State, and renewed efforts were made to establish boards in various States. Mr. H. L. Hall, of Philadelphia, a man overtaken in early adult life with total blindness, took hold of the work, and Indiana, Ohio, Illinois, New Jersey, Delaware, and Ontario aided.

In 1871 the American Association of Instructors of the Blind was formed. For the first few years of the association's existence various hopes were excited of obtaining a large endowment for printing for the blind through the beneficence of Mr. Stephen P. Ruggles, of Boston, but when these hopes were proved an irides-

cent dream, a committee was appointed in 1876, at a meeting of the association in Philadelphia, consisting of the superintendents of the schools of Kentucky, New York City, Philadelphia, Maryland, and Georgia, to prepare a bill and present it to Congress. The chairman of this committee, Mr. B. B. Huntton, superintendent of the Kentucky school drew up the bill and it was presented to Congress by Congressman Albert S. Willis, Representative from the Fifth Congressional District of Kentucky. Mr. Wait, of the New York school, was spokesman and presented the case of the blind in an address marked by all of his great ability, force, and eloquence. While every superintendent in the country labored each with the Congressman in his own State, it was due to the energy and enthusiasm and parliamentary skill of Mr. Willis that the bill setting aside a 30-year 4 percent bond of \$250,000, providing a subsidy of \$10,000 annually, finally became a law March 3, 1879.

A fund of \$40,000 had accumulated from the State of Kentucky, with which 6½ acres of land was purchased and the building erected in 1883, and for the first time in the history of the world a supply of embossed books was assured the blind.

Early in 1906 steps were taken to renew the 4-percent bonds for \$250,000 at its maturity in 1907, but the Government was then paying but 2-percent interest and refunding at that rate would have reduced the income one half. The president and secretary of the executive board visited Washington and found the Secretary of the Treasury unable to renew the bonds for 30 years at 4 percent without a special act of Congress. A bill to this effect was prepared by the Honorable Swagar Sherley, Representative of the Fifth Congressional District of Kentucky, and favorably reported from the committee by the Honorable Sereno E. Payne, a life-long friend of our then president, Col. Andrew Cowan. Through Mr. Sherley's efforts the bill passed the House, but was amended in the Senate, at the instance of Senator Spooner, so that the proceeds of the \$250,000 bond on maturity was credited on the books of the Treasury as a perpetual trust fund, and a permanent annual appropriation was provided.

Through the skill and mechanical genius of Mr. Huntton, secretary and superintendent, for almost half a century the processes of producing embossed books were developed and improved and the list of publications grew from a few titles to several thousand. The embossed books produced at the American Printing House for the Blind have never been equalled and are the best of the kind in the world, as attested by the medals awarded wherever the work was exhibited: Vienna, 1873; Centennial at Philadelphia, 1876; Chicago World's Fair, 1893; Paris Exposition, 1878; St. Louis World's Fair, 1904.

During all these years, while the processes of printing were being evolved and improved, the number of schools for the blind were increasing in size and number. When the original appropriation was made in 1879 there was an enrollment in the schools of 2,180, which has gradually increased in 40 years to about 6,000. It has been realized for some years that the needs of the schools and the demand for embossed literature has grown beyond the \$10,000 annual appropriation. The final determining factor to secure more funds for printing was the adoption of the revised Braille, grade 1½, as the uniform type for the blind of America at the meeting of the American Association of Instructors of the Blind held at Colorado Springs, June 1918. At the subsequent annual meeting of the American Printing House, held July 1, 1918, the following resolution was unanimously adopted:

"Whereas as a result of the Great War many soldiers and sailors of the United States now in service will be blind, and since a part of their reeducation and rehabilitation will require textbooks and general literature in the improved system of reading matter for the blind in increased number and volume; and

"Whereas the number of pupils in schools for the blind when provision was made in 1879 by the Congress of the United States for the support of the American Printing House for the Blind, whereby the income has been \$10,000 per annum has been increased from 2,180 pupils in 1879 to 5,640 pupils in the year ending June 30, 1917.

"Resolved, That the trustees of the American Printing House for the Blind request of the Congress of the United States an increase of the appropriation to such an amount as will provide in perpetuity an income of \$50,000 per annum to be devoted to the publication at the American Printing House for the Blind located at Louisville, Ky., of textbooks and literature for the instruction of the blind."

At the same time a committee of seven trustees was appointed to promote the passage of legislation looking to an increase of the support and the extension of the facilities of the American Printing House for the Blind by the United States Government, but no definite action was taken until February 1919, when a bill was introduced by the Honorable Swagar Sherley, of Kentucky, authorizing an increased appropriation of \$40,000 annually. This bill received a favorable report from the committee but failed of passage during the closing days of the Congress.

A bill identical in form was then introduced at the next session by Hon. Charles F. Ogden, of Kentucky, successor to Mr. Sherley. This measure passed the House on July 10 and the Senate on August 4 and was signed by the President August 16, 1919. This bill as enacted differs from the original act of 1879 inasmuch as it does not appropriate but simply authorizes an appropriation of \$40,000 annually. The original appropriation of

\$10,000 is derived from a trust of \$250,000, which is held in perpetuity to produce this income each year. The increased appropriation of \$40,000 must be put into some appropriation measure and acted upon by Congress each year. This same procedure is true of the \$25,000 which was received in 1927 through Hon. Congressman Thatcher, Mr. Bramlette, and Mr. Barr. The \$10,000 is a permanent appropriation, but the \$65,000 must be appropriated each year. The total appropriation received to date is \$75,000 annually.

EDUCATION IN THE PHILIPPINE ISLANDS

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. SNYDER. Mr. Speaker, the debate on this Philippine independence bill brought out many facts concerning the governmental procedure and the industries of the Philippine Islands, but very little on the educational institutions of the islands.

We must bear in mind that the 34 years of public education in the Philippine Islands brought about the conditions which made it possible for this bill to be so liberal. Those who are now handling the reins of government in the Philippine Islands were not only taught in a school system equivalent to our own system here in the United States but the teaching of the English language for this space of time has brought about an understanding on the part of the young Filipinos that they are now able to interpret the advantages and privileges of independence in a much broader way than they were at that time.

The Filipinos have an organized system of education that is functioning. This is more than can be said of the Thirteen American Colonies at the time of the adoption of the Federal Constitution a few years after they had gained their independence. In fact, the Federal Constitution made no mention of education. Education was one of the implied powers left to the States and up to the year 1800 only 8 of the 14 State constitutions mentioned education. As stated by Dr. E. P. Cubberley (Public School Administration, by Ellwood P. Cubberley, Houghton Mifflin Co., New York, 1929, p. 3):

Nothing which could be regarded as even the beginnings of a State system or series of systems of education existed. Nine colleges, a few private secondary schools, and a number of private and church schools offering some elementary-school instruction of an indifferent character, constituted the educational resources of the new Nation. Even in New England, where a good beginning had been made in the seventeenth century, the educational enthusiasm of the people had largely died out and the schools had sadly degenerated. In the rural districts, where the great bulk of our people then lived, there were practically no schools of any kind, while in the towns and cities ignorance, vagrancy, and pauperism went hand in hand.

In my own State of Pennsylvania there was no public school system until 1834 or just 100 years ago. Many of the States did not organize public schools until much later. It is true that life was much simpler when the American colonists gained their independence than it is now, and that it was possible for the masses to get along with the rudiments of an education.

Since there are organized schools of elementary, secondary, and collegiate grade in the Philippines, the people of these islands when granted independence will not start as did the independent American colonies without the means of public education. The growth of schools and of the interest in education in the Philippines has been nothing less than marvelous. Let us consider the increase in enrollment since 1899-1900. At that time there were only 6,900 pupils enrolled in the public schools; in 1930-31 the enrollment had increased to 1,224,548. Not until 1911-12 were separate figures on elementary and high-school enrollment available. At that time the elementary school enrollment was 525,556; by 1930-31 it had increased to 1,143,708, or 118 percent. In 1911-12 the high schools of the islands enrolled only 4,109 pupils; in 1930-31 they enrolled 80,840 pupils, or an increase of 1,867 percent within 19 years.

The following table shows the enrollment in March for each year from 1899-1900 to 1930-31:

March annual enrollment in public schools from 1899 to 1931

School year	March annual enrollment		
	Elementary	Secondary	Total
1899-1900.....	(1)	(1)	2,900
1900-1901.....	(1)	(1)	2,901
1901-2.....	(1)	(1)	200,000
1902-3.....	(1)	(1)	227,600
1903-4.....	(1)	(1)	263,974
1904-5.....	(1)	(1)	311,843
1905-6.....	(1)	(1)	375,554
1906-7.....	(1)	(1)	479,978
1907-8.....	(1)	(1)	486,676
1908-9.....	(1)	(1)	570,502
1909-10.....	(1)	(1)	587,317
1910-11.....	(1)	(1)	610,493
1911-12.....	525,556	4,109	529,665
1912-13.....	434,824	5,226	440,050
1913-14.....	614,592	6,438	621,030
1914-15.....	602,943	7,576	610,519
1915-16.....	629,444	9,099	638,543
1916-17.....	666,540	11,432	677,972
1917-18.....	656,909	14,539	671,448
1918-19.....	665,160	16,899	682,059
1919-20.....	774,422	17,204	791,626
1920-21.....	924,410	19,092	943,502
1921-22.....	1,053,180	24,964	1,078,144
1922-23.....	1,069,148	33,248	1,102,396
1923-24.....	1,091,421	41,298	1,132,719
1924-25.....	1,080,619	49,747	1,130,366
1925-26.....	1,053,799	55,156	1,108,955
1926-27.....	1,013,033	59,207	1,072,240
1927-28.....	1,047,161	64,242	1,111,403
1928-29.....	1,050,072	71,161	1,121,233
1929-30.....	1,097,978	77,167	1,175,145
1930-31.....	1,143,708	80,840	1,224,548

¹ Enrollment data not available for elementary and secondary grades.

² July data from a report of Mr. George P. Anderson, Superintendent of Public Instruction, dated Aug. 5, 1900, to the Acting Adjutant General, Manila.

³ Report of the Philippine Commission. Report of the General Superintendent of Education for the year ended Sept. 1, 1902, p. 903.

⁴ Annual Report of the General Superintendent, September 1904, p. 12.

If the foregoing figures do not indicate that the Filipinos are intensely interested in education what do they indicate?

A notable feature of the Philippine schools is the length of the school term and the average number of days attended. In 1931-32 the average number of days that the schools were in session was 195 and the average number of days attended was 178. In continental United States the average school term is only 171 days and the average number of days attended is only 145. An interesting fact to be noted is that the Filipino children are attending school more regularly than they did. In 1919-20 only 80 percent of the pupils enrolled were in daily attendance; in 1931-32, 90 percent were in daily attendance.

The increased interest of the Filipinos in education is also indicated by the increasing amounts received for the support of schools. In 1920 the total revenue receipts were \$9,128,297 and in 1932 \$15,410,996, an increase of 69 percent within 12 years. The value of public-school property within the 12-year period increased from \$11,364,399 to \$23,744,137, or 109 percent.

To top the educational system is the University of the Philippines. That the Filipino people are interested in higher education is evident from the increase in enrollment in the university. In 1912 the enrollment was only 1,400; in 1920, 3,409; and in 1932, 7,261. Within 20 years the enrollment increased 490 percent.

In 1932 the university was maintained at an expenditure of \$995,393, of which \$936,525 was for current expenses. No stronger evidence of the interest of the Filipinos in higher education need be given than these figures.

The increase in the professional training of teachers should also be noted. In 1927 only 16 percent of the elementary and secondary school teachers were college or normal-school graduates; in 1932, 36.5 percent were college or normal-school graduates.

Let us now see what the schools are doing to prepare the children for citizenship. One of the essentials of a good

citizen is good health and one of the aims of the school should be to look after the health of the children and to train them in health habits. Dr. Luther B. Bewley, director of education in the Philippines, says in his 1932 report:

Constant progress has been made in improving the sanitation of the school plant. * * * In the classroom efforts have been made to improve the quality of the instruction and to encourage the practical application of health knowledge not only in school but also in the home and the community.

In 1932, 420,043 pupils were examined by physicians, 423,409 were inspected by physicians, and 837,682 were inspected by nurses; 726,509 were immunized against cholera, 260,795 against typhoid, 707,231 against dysentery, and 348,591 against smallpox.

Physical education is being emphasized. The Director of Education says in his 1932 report:

Continued and encouraging progress in physical education was made in 1932. This progress was enhanced through improved play facilities, more equipment, and better organization of the various physical-education activities. Games and sports have gained steadily in popularity during recent years.

The campaign for the improvement of playgrounds and for the local construction of standard play apparatus is gradually gaining the desired ends.

Does not all this indicate that the schools of the islands are striving to attain one of the major objectives of education—healthful living?

What are some of the other things that the schools are doing to educate the children for citizenship?

In the high schools there is a general curriculum which in September 1932 enrolled 43,257 pupils, a normal curriculum enrolling 3,943 pupils, a trade curriculum enrolling 5,970 pupils, an agricultural curriculum enrolling 3,280 pupils, and a home-economics curriculum enrolling 5,040 pupils.

In the elementary schools much attention is given to hand weaving and shop work. The total number of pupils enrolled in hand weaving is 176,058, distributed as follows: Basketry 39,548, mat 8,221, hat 7,025, net 1,107, others 120,157. The total enrollment in shop work is 44,693, distributed as follows: Wood working, 8,583; rattan furniture, 3,770; bamboo furniture, 5,965; sheet metal, 4,924; others, 21,451.

There are in the islands 299 schools of agriculture, with an enrollment of 27,509 pupils. Three thousand eight hundred and ninety-two hectares are under cultivation. The total value of the school projects in 1932 was 340,425.80 pesos.

There are 1,968 agricultural clubs—vegetable, fruit, poultry, hog, goat, sheep, and others—with a membership of 26,476.

There are 5,928 schools with gardens. The number of pupils taking gardening is 189,599, and the number of pupils that have home gardens is 161,870. The estimated number of hectares cultivated in these gardens is 3,022.

There are 3,920 schools with nurseries. During 1932, 583,974 trees were started, and thousands of shade and fruit trees were planted on the school grounds and at the pupils' homes.

One of the essential services in a school system is its library. Are there libraries in the Filipino schools? Of the 7,644 schools there are 4,947 that have libraries. The total number of volumes in them is 2,215,796. In 1932 they acquired 183,554 volumes, and the total number of subscriptions to periodicals was 14,696.

Data on many other points could be presented, but those already given are sufficient to show that the Filipino children are being educated.

Adult education is also beginning to receive attention. In 1908 the Philippine Bureau of Education was required by law to have prepared a series of lectures on a variety of subjects for the benefit of adults. These lectures were to be called "civico-educational lectures." By an amendment in 1914 municipal teachers were to be in charge of lectures, although other citizens could also be asked to give them. A limited number of lectures were prepared and were delivered in many localities and on many occasions.

During 1932 this civico-educational program was revived by the Governor General in the form of community assemblies. The organization of activities was remodeled upon the suggestion, encouragement, and active support of the Governor General. The objectives set up by the central advisory committee appointed were as follows:

First. To develop a more intelligent and enlightened public opinion, especially among the adults who read no papers.

Second. To instruct the public regarding subjects of wide interest.

Third. To inform the public regarding citizenship activities, duties, health problems, proper diet, and so forth.

Fourth. To guide the public in improved methods of industry, agriculture, and economy.

Fifth. To encourage the community to gather together for social intercourse and for the purpose of discussing problems regarding their community and general welfare.

Sixth. To further interest the community in its local folklore, folk song, folk dances, and games (33d Annual Report of the Director of Education, 1932).

Such a program will mean much in keeping the people informed on public questions and citizenship duties, thus helping the people to govern themselves intelligently.

MAJ. GEN. HARRY G. BISHOP RETIRES—FORTY YEARS OF SERVICE BY ONE OF AMERICA'S OUTSTANDING GENERALS

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. JOHNSON of Oklahoma. Mr. Speaker, Maj. Gen. Harry Gore Bishop, an officer who has, for more than 40 years, rendered outstanding service to the Army and to his country, just completed his tour as Chief of Field Artillery and is retiring this month.

Only the American Army could have produced a career as colorful, and the occasion deserves more than passing attention, I feel. Graduated from West Point in 1897, young Bishop had barely 2 years of commissioned service when he was made chief of the department of licenses and municipal revenue of the city of Manila, maintaining supervision over all the civilian business of this cosmopolitan city of a quarter of a million people. During his year and a half in that position he drafted many of the municipal ordinances still in force in Manila. Young Bishop not only succeeded in breaking up much of the graft then rampant in the city but prevented the scandals connected with the business affairs of the city.

As a line officer Bishop has commanded every unit of field artillery. More than 12 years of his service has been in actual duty with troops. In August 1912 he was stationed at Fort Sill, Okla., in my district, as a major of the Fifth Field Artillery, where he gained not only the respect of his officers and enlisted men but the admiration and friendship of the people of Lawton and vicinity. Hundreds of people there will long retain a warm admiration for General Bishop.

From Fort Sill, Bishop went to the Mexican border and commanded the field artillery troops at El Paso during the troublesome times in the spring and summer of 1916. In the following year he was assigned to the War Department General Staff. On July 9, 1917, he was appointed a brigadier general and assigned to the One Hundred and Fifty-ninth Field Artillery Brigade on the Eighty-fourth Division, which organization he took to France. Shortly after his arrival there, he was transferred to the Third Field Artillery Brigade of the Third Division, which he commanded during the Meuse-Argonne operations and the march into Germany.

He was awarded the Distinguished Service Medal by General Pershing, with a citation reading: "By his skill and able leadership, rendered exceptionally valuable services during the battles of the Meuse-Argonne and the subsequent advance to Sedan." He was decorated by the French Government "An officer of the Legion of Honor, for exceptionally valuable services in action in France."

In April 1919 he was ordered to the States for duty as commandant of the Field Artillery School at Fort Sill, but later orders sent him to the Army War College as director. He served in this capacity until detailed to the War Department General Staff as head of the training section of the war-plans division. He was chief of staff, Philippine Department, from November 2, 1922, until September 1924, when he returned to the States and served at Fort Sam Houston, Tex., in command of the Fifteenth Field Artillery. He was transferred to Fort Hoyle, Md., in August 1927 in command of the Sixth Field Artillery and the post of Fort Hoyle; and later to Hawaii and commanded the Eighth Field Artillery unit until he was appointed chief of the Field Artillery.

During his 4 years as Chief of Field Artillery his intellectual and physical vigor, his splendid qualities as a leader, and his progressiveness and patriotic devotion to duty have excited general admiration. He concentrated his energies particularly upon motorization and modernization of Field Artillery transport and weapons, with the result that when funds became unexpectedly available the arm was ready for motorization. This has been extended to a large part of the National Guard with an operative saving running into millions.

This revolution in artillery equipment called for almost endless planning in small detail. When attention to minor detail was necessary, General Bishop entered into working them out with the same enthusiasm that he devoted to the major plans of studies. He personally presented many of the mechanical ideas involved in the modernization of the artillery gun carriages. This modernization includes not only high-speed training, but much greater traverse on the carriage, the ability to fire at extreme ranges without excessive digging and reducing the time required for occupation of the firing position.

When it became evident that serious reduction in ammunition allowances for peace-time training would be necessary in balancing the national Budget, General Bishop threw his efforts into the design and development of a miniature gun which could serve as a training device for junior officers.

Batteries of this miniature gun have now been issued to the Regular Field Artillery, the National Guard, and the Field Artillery Reserve Officers' Training Corps. Within a week after his severe heart attack of a year ago, he was directing this development from his sick bed. Having this project and the completion of his motorization plans before him he had no time to be sick. Through sheer determination and an unconquerable spirit he fought his way back to sufficient physical strength to enable him to resume his work in his office.

The modernization of the field artillery is proceeding not alone in equipment but in the minds of the officers and enlisted men of the branch, National Guard, and Reserve, as well as Regular. The impulse which started this activity came from the dynamic personality of General Bishop. Both the Army and the Nation owe General Bishop an everlasting debt of gratitude.

CONFERENCE REPORT—AGRICULTURAL APPROPRIATION BILL, 1935

Mr. SANDLIN. Mr. Speaker, I ask unanimous consent to have until midnight tonight to file a conference report upon the Agricultural Appropriation bill.

The SPEAKER. Is there objection?

Mr. KVALE. Mr. Speaker, I reserve the right to object for the purpose of asking the gentleman a question. Rumor has it that there is only one point of disagreement, and that is the difference between the House and the Senate bills on the so-called "Clark-McNary" amendment. Can the gentleman advise us as to that?

Mr. SANDLIN. This is a full report on all items.

The SPEAKER. Is there objection?

There was no objection.

H.R. 1647

Mr. McLEOD. Mr. Speaker, I ask unanimous consent to extend my own remarks on the bill H.R. 1647, a bill introduced by myself.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. McLEOD. Mr. Speaker, I wish to direct the attention of the House at this time to the malicious communistic propaganda being circulated among the youth of America and take this opportunity to urge the absolute necessity for enactment of legislation as proposed in my bill, H.R. 1647, to prohibit and punish certain seditious acts against the Government of the United States and to prohibit the use of the mails for the purpose of promoting such acts.

This measure, which I introduced on March 9 of last year, and which is pending before the Judiciary Committee, would curb the sinister activities of those who advocate the destruction of the Government, or the physical injury to any person or any property of the Government of the United States.

Into the crucible of economic reconstruction and readjustment, our great Nation has poured its entire vast resources in a mighty and whole-hearted attempt to win our way back to recovery. Every patriotic citizen is fighting for the continuance of the cherished ideals which have made for the United States the mecca for the politically oppressed and down-trodden the world over. While most regrettable, it is perhaps to be expected that enemies of law and order would seize the time when our efforts are concentrated in a great campaign to banish the depression to endeavor to undermine the existing social order by means of insidious and vicious communistic propaganda spread through our school system.

To claim that our present social order has reached perfection would be stupid. However, to advocate its overthrow by bloodshed and violence is criminal. Our Government is elastic and malleable in construction and is easily subject to necessary adjustments and reforms by the will of the people, asserting itself through the regular and proper channels provided by the Constitution. The subversive activities of radical groups against the United States must not be tolerated.

The recent exposé of the activities and aims of the communistic organizations which are conducting a systematic campaign to spread their destructive propaganda through the schools of the country gives ample evidence of the pressing need for action to check their undermining influence. It has been found that the official publication of an avowed communistic organization is being carefully distributed through mailing lists of student agents in colleges and schools throughout the Nation.

Recent articles on this subject by the chairman of the executive council of the National Civic Federation appearing in the Hearst papers throughout the country show that the following numbers of the Student Review, published by the National Student League, have been shipped recently for private distribution to student members:

University of Chicago, 50; Chicago distribution, unidentified as to schools, 300; University of Wisconsin, 40; University of Illinois, 15; Purdue, La Fayette, Ind., 10; Omaha, Nebr., 10; University of Nebraska, Lincoln, Nebr., 10; Detroit City College, 75; Northern High School, Detroit, 25; University of Michigan, Ann Arbor, 50; Columbia, Mo., 25; Washington University, St. Louis, 20; University of Minnesota, Minneapolis, 50; in the New York metropolitan area there was a total distribution of 2,260; about 300 copies were distributed at meetings in high schools; Harvard, 25; Amherst, 25; Massachusetts Institute of Technology, 40; Tufts, Roxbury, Mass., 75; Yale, 50; University of Syracuse, N.Y., 25; Buffalo, N.Y., 60; Cornell, Ithaca, N.Y., 30; Pittsburgh, unidentified as to school, 100; Philadelphia, 100; Cleveland, Case School and unidentified, 60; Washington, D.C., unidentified, 75; Baltimore, four agents, 10 each; Johns Hopkins University, 25; Georgia School of Technology, Atlanta, Ga., 10; University of California, Berkeley, 100; Stanford, Palo Alto, 25; Oakland, Calif., 15; Los Angeles, four agents, 110; University of Washington, Seattle, 35.

Entries indicating smaller membership, usually 5 to 10; Milwaukee State Teachers College, Milwaukee, Wis.; Baylor

University, Waco, Tex.; University of Texas, Austin, Tex.; San Antonio, Tex.; Charlottesville, Va.; Castleton, Vt.; Memphis, Tenn.; Lancaster, Pa.; Scranton, Pa.; Eugene, Oreg.; Toledo, Ohio; Cincinnati, Ohio; Durham, N.C.; Augusta College, Moline, Ill.; Bridgeport, Conn.; Dearborn, Mich.; University of Iowa, Iowa City.

These lists form but a part of the evidence gathered to show that communist forces are conducting an elaborate campaign to overthrow our present Government and establish a communistic Soviet form of government. An article recently published by the official central organ of the Communist Party on February 28 openly states that the purpose of the Young Communist League is to "still more energetically organize the masses for the struggle for a Soviet America."

The indications apparently are that the communistic agitators are failing to make much headway with adult citizens and are concentrating their efforts on the youth of America in our schools and colleges. The National Civic Federation has charged that the primary aims of the movement to convert students to communism are being centered on an effort at crippling national defense, stirring up racial hatred and active student participation in communistic activities in fomenting strikes and labor troubles in industry.

We are at present in the midst of a war against the depression, upon the success of which depends the existence of even the basic foundations of our Government. If we were at war with another nation, we would not tolerate these destructive activities of radical agitators for an instant. Their insidious propaganda campaign would be instantly suppressed. Our present war for self-preservation is just as important as any conflict we have waged in the past against a transgressor nation, and it is up to us to put a stop to these nefarious activities without delay.

We are a tolerant, broad-minded, and free-thinking people. Criticism of existing institutions and the established order of things is a right we would not think of denying. However, when in their fanaticism these destructive zealots deliberately overstep the constitutional right of free speech and begin to preach the downfall of government by violence and the adoption of their own pet theories of a communistic regime, the time has come for us to recognize that in combating the depression we must not overlook the danger that besets us in this direction.

Enactment of legislation to curb such activities has become a patriotic duty and an urgent necessity. The ruthless, destructive policies of those who would overthrow our Government must not be permitted to interfere with our efforts toward recovery. Our early action on this vital question daily becomes more imperative.

[New York American, Feb. 25, 1934]

HOW COMMUNISTIC PROPAGANDA IS SPREAD IN SCHOOLS

OBJECTIVE STATED

A National Student League membership card, on which some of the openly announced purposes are listed. The National Student Review is described as dealing with problems from a Marxian point of view, and the National Student League declares itself against the capitalistic order:

Name, Lillian Giraitis; address, 431 Summit Street; city and State, Hartford, Conn.; school address, Chapin House; telephone, 2700—214; college, Smith College; campus organization, Why Club; date book issued, —; book no. —.

[✓] I accept the program of the National Student League and hereby apply for membership. (First quarterly dues of 20 cents must accompany this application.)

[] Please enroll me as a subscriber to the Student Review for 1 year (75 cents for 10 issues).

[Dues —.]

NATIONAL STUDENT LEAGUE,
13 West Seventeenth Street, New York, N.Y.
(583 Sixth Avenue.)

The National Student League fights for—

1. Lower tuition fees, a free college in every city.
2. Academic freedom for all students and instructors.
3. Abolition of all forms of compulsory religious services in college.
4. Abolition of R.O.T.C.
5. Full social and political equality for Negroes and other minorities.

The Student Review, the official organ of the National Student League, is the prime organizer of the radical student movement.

It is also a monthly review of the contemporary political, economic, and cultural situation, from a Marxist point of view. Published and edited by college students, it reflects the rise of student dissent against the narrow confines of the capitalist order. Although sometimes calling on outside contributors, the Review will remain, for the most part, a student publication.

Enroll—1 year (10 issues), 75 cents—subscribe.

LECTURE NOTICES

Advertisement of lecture series, appearing in the March 1933 National Student Review, the subjects indicating the communistic activities of the Parent League.

Lecture series—The Position of the American Negro, with special references to the Negro students, Sundays, 8:30 p.m., April 2, April 9, March 19, March 26, at 13 West Seventeenth Street, New York. Admission, 10 cents each session; 25 cents for series.

Fiftieth anniversary of the death of Karl Marx, Fridays, 8:30 p.m.

March 10, Constituent Elements of Marxism.

March 17, Marxian Theory of Crises.

March 24, Marxian Concept of the State.

March 31, Marxism-Leninism.

Questions and discussion will take place. Prominent lecturers at 13 West Seventeenth Street, New York. Auspices of the New York District, National Student League. Admission 10 cents each session; 25 cents for series.

LINK REVEALED

Although the National Student League disclaims affiliation with the Communist Party, the organization department of the national executive committee of the Young Communist League (officially a part of the Communist Party) asks the National Student League to supply detailed information in order "to have a complete picture of our mass organization by January 1."

To N. S. L.:

Some time ago we sent you a brief note asking you to turn in a report on the organizational status of the fraction, etc. That was to be an approximate report. In the same letter we asked that by January 1 you prepare a detailed report on the basis of reports from each of your districts or locals, regarding the exact membership, composition of membership (workers, students, etc.), etc.

We ask that you take the necessary steps to get such detailed information immediately. Our intention is to have the complete picture of our mass organizations by January 1. The report should also contain information as to the number of members on the various district committees, the size of our fractions, the circulation of whatever papers issued, etc. Let us have this at once.

Comradely,

J. MARKS,
Org. Dept. NEC YCL.

Facsimiles of extracts from a radical magazine (mimeographed) issued at Oberlin College by a local "Liberal Club", which is also a National Student League chapter. The masthead of this magazine does not mention the N.S.L. Karl Marx, Lenin, and the Communist Party come in for attention on page 1, as shown in the facsimile.

OBERLIN'S OTHER HALF

By Robert Creegan

Many practical, rather skeptical people will not accept the scientific socialism of Karl Marx. They will not be forced leftward by any logical system whatsoever. They demand the chance to see the mansion, the factory, and the slum as they actually exist before they make their decision which side to support, the left or the right. So, by all means, let's be practical.

Let us bring the matter clean — [between the] capitalistic system — [and the] working class under our economic system based on private profits and greed is an adequate reason in itself for supporting the Communist Party. By all means read Marx and Lenin—but don't forget to notice the world around you.

[Washington Herald, Mar. 4, 1934]

Brian Kent, in a report to the National Student League, from Adairsville, Ga., reveals that he is "under cover", "working on a farm so as not to arouse suspicion", trying to organize industrial strikes, fighting the A.F. of L., trying to organize a Farmers' Union, trying to organize N.S.L. in the Berry School. He expects to be arrested, and asks that the International Labor Defense (Communist) jump to his defense. Herewith are portions of his letter:

"Perlo sent me \$5. I spent every cent of it getting out 4,000 leaflets and mailing a lot of stuff. I'm flat broke now and can't get in touch with Perlo, except through the N.S.L. Get money from Tuffy or someone and send it right away. Send bills; money orders are unhandy. Register the letter and mail it to Arnold Sulton, Adairsville, Ga. Never mention my name or the N.S.L. on any envelopes."

"The S.O. here has asked me to organize a Farmers' Union here while I'm working on Berry. I have several good contacts and expect results. If you received my other letters, you know why I have to remain under cover to a great extent. I am having former Berry students do my running around. I am working on a farm here so as not to arouse suspicion and can carry on my work among the farmers.

"I meet people who work in the cotton mills, and I'm trying to get them to fight the A.F.L. They are very militant, and I expect to attend some strike meetings soon.

"Send copies of the Manifesto and Wage, Labor, and Capital to Willis Sutton, Adairsville, Ga. He is ripe for that."

"I expect to be nabbed by the police before the Berry affair is over. They had me once. If they do, I'm going to have the I.L.D. jump in, so be prepared.

"Write immediately and tell me what's up. I'd sure like to know.

"Comradely,

"BRIAN KENT, C. J."

In a second letter Brian Kent asks "Nat Solomon", of the National Student League, who is "organizer" for the new N.S.L. drive in the high schools of America:

"What do you think about letting the undersigned stay in the South and organize for the party. The S.O. wants me, and I want to stay. You may get a letter from him soon.

"Anyhow, send me money because this is my last letter until I get money, unless Heaven rains shekels.

"Comradely,

"BRIAN KENT."

Max Stern, C.C.N.Y., 1933, writes to the National Student League that he has "seen the light" and has become an off-campus revolutionist. His N.S.L. brothers can go on discussing "proletarian literature"; he is doing a man's work.

A portion of his letter follows:

"MY DEAR NATIONAL STUDENT LEAGUE:

"I have joined the Citizens' Conservation Camp and am busy spreading revolutionary propaganda. Here is a man's work. You can have a harmless good time discussing "proletarian literature" and getting yourselves suspended by fearful "collitch" presidents. I am justifying my existence.

"An intellect who was not afraid.

"MAX STERN, C.C.N.Y., '33.

"I am on leave until October 15. I would read a reply."

The fiftieth anniversary of the death of Karl Marx occurs at the same time that the revolutionary student movement in the United States, the National Student League, is approaching a new plane in its development. We have had a sort of mushroom growth. Our job now is to build a very strong, firm foundation for this movement. This task is slow and arduous. Our first form of existence, really our *raison d'être*, is action, leadership in the struggle for student demands. But to accomplish the highest forms of action we have to pass through a simultaneous process of organization and education, agitation, and propaganda. This is not divorced from action, but develops through action and as a result leads to action on a higher plane. An essential and integral part of this process is the study of our theory and history, the study of Marxism-Leninism.

On this occasion let us set for ourselves a Nation-wide task. We should organize study groups on each campus for the study and propagation of the Marxian system. But we should never divorce this study from reality. We should study Marxism "not as a dogma, but a guide to action." In this respect we offer the columns of Student Review to aid in any respect in this task of education. Write us for information. Send us questions. We will attempt to give as much aid and guidance as we can.

IDEALS SET FORTH

The radical nature of the National Student League is shown in the above editorial which appeared in the National Student Review of March 1933.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1461. An act for the payment of the claims of the Fidelity Trust Co. of Baltimore, Md., and others; to the Committee on Claims.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 891. An act for the relief of Albert N. Eichenlaub, alias Albert N. Oakleaf;

H.R. 1015. An act for the relief of Frank D. Whitfield;

H.R. 1413. An act for the relief of Leonard L. Dilger;

H.R. 2670. An act for the relief of James Wallace;

H.R. 3780. An act for the relief of William Herod; and

H.R. 6228. An act to provide for the appointment of a commission to establish the boundary line between the District of Columbia and the Commonwealth of Virginia.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 356. An act for the relief of the Great American Indemnity Co. of New York.

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 891. An act for the relief of Albert N. Eichenlaub, alias Albert N. Oakleaf;

H.R. 1015. An act for the relief of Frank D. Whitfield;

H.R. 1413. An act for the relief of Leonard L. Dilger;

H.R. 2670. An act for the relief of James Wallace;

H.R. 3780. An act for the relief of William Herod; and

H.R. 6228. An act to provide for the appointment of a commission to establish the boundary line between the District of Columbia and the Commonwealth of Virginia.

ADJOURNMENT

Mr. BYRNS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 41 minutes p.m.) the House adjourned until tomorrow, Tuesday, March 20, 1934, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE POST OFFICE AND POST ROADS

(Tuesday, Mar. 20, 9 a.m.)

Subcommittee hearing on H.R. 1545 (Transportation and distribution of mails on motor-vehicle routes).

(Tuesday, Mar. 20, 10 a.m.)

Committee hearing on air-mail bills.

COMMITTEE ON MERCHANT MARINE, RADIO, AND FISHERIES

(Tuesday, Mar. 20, 10 a.m.)

Continue hearings on H.R. 7936 in the committee room.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

(Tuesday, Mar. 20, 10 a.m.)

Continuation of stock-exchange hearings.

SUBCOMMITTEE ON JUDICIARY OF THE HOUSE DISTRICT COMMITTEE

(Tuesday, Mar. 20, 10:30 a.m.)

To consider H.R. 6372, a bill authorizing building and loan associations to exchange mortgages and deeds of trust for Home Owners' Loan Corporation bonds.

EXECUTIVE COMMUNICATIONS, ETC.

385. Under clause 2 of rule XXIV a letter from the Secretary of the Treasury, transmitting copy of a proposed bill for the relief of A. Bruce Bielaski, former employee of the Prohibition Unit, from the payment of the sum of \$14,731.53 found by the Comptroller General to be due the United States, was taken from the Speaker's table and referred to the Committee on Claims.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SUMNERS of Texas: Committee on the Judiciary. H.R. 7356. A bill to provide, in case of the disability of senior circuit judges, for the exercise of their powers and the performance of their duties by the other circuit judges; without amendment (Rept. No. 1020). Referred to the House Calendar.

Mr. MOTT: Committee on the Public Lands. S. 1982. An act to add certain lands to the Mount Hood National Forest in the State of Oregon; without amendment (Rept.

No. 1021). Referred to the Committee of the Whole House on the state of the Union.

Mr. SUMNERS of Texas: Committee on the Judiciary. H.R. 7357. A bill to amend section 109 of the United States Criminal Code so as to except officers of the United States Naval and Marine Corps Reserve not on active duty from certain of its provisions; with amendment (Rept. No. 1023). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. GUYER: Committee on Claims. H.R. 5020. A bill to pay to the Printz-Biederman Co., of Cleveland, Ohio, the sum of \$741.40, money paid as duty on merchandise imported under section 308 of the tariff act; with amendment (Rept. No. 1001). Referred to the Committee of the Whole House.

Mr. ELLZEY of Mississippi: Committee on Claims. H.R. 5109. A bill for the relief of Joe G. Baker; with amendment (Rept. No. 1002). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H.R. 7953. A bill for the relief of the Dallas County Chapter of the American Red Cross; with amendment (Rept. No. 1003). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H.R. 8587. A bill to extend the benefits of the Employees' Compensation Act of September 7, 1916, to William Thomas; without amendment (Rept. No. 1004). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H.R. 8616. A bill for the relief of Lawrence A. Jett; without amendment (Rept. No. 1005). Referred to the Committee of the Whole House.

Mr. ELLZEY of Mississippi: Committee on Claims. S. 90. An act for the relief of Mick C. Cooper; with amendment (Rept. No. 1006). Referred to the Committee of the Whole House.

Mr. ELLZEY of Mississippi: Committee on Claims. S. 176. An act for the relief of Harry Harsin; without amendment (Rept. No. 1007). Referred to the Committee of the Whole House.

Mr. ELLZEY of Mississippi: Committee on Claims. S. 252. An act for the relief of the American Bonding Co., of Baltimore; with amendment (Rept. No. 1008). Referred to the Committee of the Whole House.

Mr. ELLZEY of Mississippi: Committee on Claims. S. 254. An act for the relief of Fred H. Cotter; without amendment (Rept. No. 1009). Referred to the Committee of the Whole House.

Mr. ELLZEY of Mississippi: Committee on Claims. S. 413. An act for the relief of Edith N. Lindquist; with amendment (Rept. No. 1010). Referred to the Committee of the Whole House.

Mr. ELLZEY of Mississippi: Committee on Claims. S. 1077. An act for the relief of Lueco R. Gooch; with amendment (Rept. No. 1011). Referred to the Committee of the Whole House.

Mr. ELLZEY of Mississippi: Committee on Claims. S. 1088. An act authorizing adjustment of the claim of White Bros. & Co.; without amendment (Rept. No. 1012). Referred to the Committee of the Whole House.

Mr. DICKSTEIN: Committee on Claims. S. 1731. An act for the relief of Marion von Bruning (nee Marion Hubbard Treat); with amendment (Rept. No. 1013). Referred to the Committee of the Whole House.

Mr. DICKSTEIN: Committee on Claims. S. 1994. An act for the relief of Estelle Johnson; without amendment (Rept. No. 1014). Referred to the Committee of the Whole House.

Mr. DICKSTEIN: Committee on Claims. S. 2023. An act for the relief of Claudia L. Polski; with amendment (Rept. No. 1015). Referred to the Committee of the Whole House.

Mr. DICKSTEIN: Committee on Claims. S. 2138. An act for the relief of Charles J. Webb Sons Co., Inc.; with amendment (Rept. No. 1016). Referred to the Committee of the Whole House.

Mr. SEGER: Committee on Claims. S. 2377. An act for the relief of A. E. Shelley; with amendment (Rept. No. 1017). Referred to the Committee of the Whole House.

Mr. O'BRIEN: Committee on Claims. S. 2554. An act for the relief of Cohen, Goldman & Co., Inc., with amendment (Rept. No. 1018). Referred to the Committee of the Whole House.

Mr. SEGER: Committee on Claims. S. 2750. An act for the relief of Claude A. Brown and Ruth McCurry Brown, natural guardians of Mamie Ruth Brown; without amendment (Rept. No. 1019). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. RANDOLPH: A bill (H.R. 8712) to adjust the salaries of officers and employees of the United States and of the District of Columbia to conform to the principles of the National Industrial Recovery Act, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. LEWIS of Maryland: A bill (H.R. 8713) providing for membership of the United States in the Permanent Court of International Justice; to the Committee on Foreign Affairs.

By Mr. GASQUE: A bill (H.R. 8714) to extend times for commencing and completing the construction of a bridge across the Pee Dee River and a bridge across the Waccamaw River, both at or near Georgetown, S.C.; to the Committee on Interstate and Foreign Commerce.

By Mr. BERLIN: A bill (H.R. 8715) to place certain distilled spirits on the free list; to the Committee on Ways and Means.

By Mr. CARTER of California: A bill (H.R. 8716) for the relief of certain ex-commissioned officers of the armed forces of the United States; to the Committee on Military Affairs.

By Mr. STEAGALL: A bill (H.R. 8717) to provide for the creation of credit banks for industry, and for other purposes; to the Committee on Banking and Currency.

By Mr. RANKIN: A bill (H.R. 8718) to provide for the commemoration of the two hundredth anniversary of the Battle of Ackia, Miss., and the establishment of the Ackia Battleground National Monument, and for other purposes; to the Committee on the Public Lands.

By Mr. KENNEDY of Maryland: A bill (H.R. 8719) to amend the act of Congress entitled "An act to repeal and reenact chapter 100, 1914, Public, No. 108, to provide for the restoration of Fort McHenry, in the State of Maryland, etc."; to the Committee on Military Affairs.

By Mr. RAYBURN: A bill (H.R. 8720) to provide for the regulation of national securities exchanges and of over-counter markets operating in interstate and foreign commerce or through the mails and to prevent inequitable and unfair practices thereon, and for other purposes"; to the Committee on Interstate and Foreign Commerce.

Mr. TAYLOR of Colorado: Resolution (H.Res. 307) for the consideration of H.R. 6462; to the Committee on Rules.

By Mr. McGRATH: Joint resolution (H.J.Res. 301) to provide for allocation to private shipyards on the Pacific coast a fair share of the 50 percent allotted to private yards under naval construction bill passed by the Seventy-third Congress; to the Committee on Naval Affairs.

By Mr. COCHRAN of Missouri: Joint resolution (H.J.Res. 302) authorizing the creation of a Federal memorial commission to consider and formulate plans for the construction on the western bank of the Mississippi River, at or near the site of old St. Louis, Mo., of a permanent memorial to the men who made possible the territorial expansion of the United States, particularly President Thomas Jefferson and his aides, Livingston, and Monroe, who negotiated the Louisiana Purchase, and to the great explorers Lewis and Clark and the hardy hunters, trappers, frontiersmen, and pioneers,

and others who contributed to the territorial expansion and development of the United States of America; to the Committee on the Library.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Virginia, asking relief to the extent of at least 50 percent of the present Federal tobacco and tobacco-products tax; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. HOPE: A bill (H.R. 8721) to amend the Packers and Stockyards Act, 1921; to the Committee on Agriculture.

By Mr. CARTER of California: A bill (H.R. 8722) for the relief of Joseph V. Higgins; to the Committee on Claims.

By Mr. CROWE: A bill (H.R. 8723) granting a pension to Charity Cooper; to the Committee on Pensions.

By Mr. RAYBURN: A bill (H.R. 8724) for the relief of Joe Brumit; to the Committee on Claims.

By Mr. THOMAS: A bill (H.R. 8725) granting an increase of pension to Mary Maley; to the Committee on Invalid Pensions.

By Mr. WEST of Ohio: A bill (H.R. 8726) granting a pension to Charles M. Copus; to the Committee on Pensions.

By Mr. WEST of Texas: A bill (H.R. 8727) for the relief of the First State Bank & Trust Co., of Mission, Tex.; to the Committee on Claims.

Also, a bill (H.R. 8728) authorizing the Secretary of War to lease or to sell certain lands and buildings known as "Camp Eagle Pass, Tex.", to the city of Eagle Pass, Tex.; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3061. By Mr. BOYLAN: Resolution adopted at a meeting of Plant Branch No. 2, of the Association of Employees, Long Lines Department of the American Telephone & Telegraph Co., protesting against the passage in its present form of paragraph 4, section 5, title 1, of the Labor Disputes Act now before Congress; to the Committee on Labor.

3062. Also, resolution unanimously adopted by the Association of Highway Officials of North Atlantic States, at their tenth annual convention, commending the Public Works Administration and the Bureau of Public Roads for their intelligent direction of highway work under the Public Works program; to the Committee on Roads.

3063. By Mr. DONDERO: Petition of the members of the Detroit Federation of Post Office Clerks of Local No. 295, of Detroit, Mich., endorsing the principle of compulsory retirement at the age of 60, if 30 years of service has been rendered, and urging that a determined effort be made to carry out the provisions of that act; to the Committee on the Civil Service.

3064. By Mr. JOHNSON of Texas: Petition of Dixon S. Boozer, president Local Post No. 771, National Federation of Post Office Clerks, Waxahachie, Tex., protesting against the furlough provision of the economy bill imposed on postal clerks and city carriers; to the Committee on the Post Office and Post Roads.

3065. Also, petition of county judge and commissioners of Corsicana, Chamber of Commerce of Waxahachie, Chamber of Commerce of Corsicana, and Chamber of Commerce, Bryan, all of the State of Texas, urging inclusion of \$400,000,000 appropriation in Public Works bill for construction of public highways; to the Committee on Appropriations.

3066. Also, petition of Hon. W. D. Colvin, county judge, Ellis County, W. C. Stephenson, W. S. Howard, M. C. Giles, and W. A. Davis, members of the Commissioners' Court of Ellis County, Waxahachie, Tex., urging inclusion of four

hundred million appropriation in Public Works bill for construction of public highways; to the Committee on Appropriations.

3007. Also, petition of Dr. J. M. Howe, of Austin; Dr. S. A. Woodward, of Fort Worth; Dr. J. S. McCelvey, of Temple; Dr. Joe S. Wooten, of Austin; Dr. J. M. Frazier, of Belton; Dr. John W. Brown, State health officer, of Austin; Dr. Henry F. Hein, of San Antonio; and Dr. E. W. Wright, of Bowie, all of the State of Texas, all members of the State board of health, urging appropriation in the first deficiency bill for 1934 for the United States Public Health Service to use in its cooperative county health unit work in the several States; to the Committee on Appropriations.

3068. Also, petition of Hubert M. Harrison, general manager, East Texas Chamber of Commerce, Longview, Tex., urging inclusion of four hundred million appropriation in Public Works bill for construction of public highways; to the Committee on Appropriations.

3069. By Mr. LINDSAY: Petition of Steel & Tubes, Inc., Brooklyn, N.Y., urging defeat of Senate bill 2926 and House bill 8423; to the Committee on Labor.

3070. Also, petition of American Association for Labor Legislation, New York City, urging support of the Lewis bill, H.R. 7659; to the Committee on Ways and Means.

3071. Also, petition of Intracoastal Towing & Transportation Co., Houston, Tex., opposing House bill 7979; to the Committee on Merchant Marine, Radio, and Fisheries.

3072. Also, petition of Reichert Towing Line, Inc., Brooklyn, N.Y., opposing House bill 7979; to the Committee on Merchant Marine, Radio, and Fisheries.

3073. Also, petition of Edward Card Co., Inc., New York City, opposing House bill 7979; to the Committee on Merchant Marine, Radio, and Fisheries.

3074. By Mr. RUDD: Petition of Steel & Tubes, Inc., Cleveland, Ohio, opposing the passage of Senate bill 2926 and House bill 8423; to the Committee on Labor.

3075. Also, petition of the Association of Highway Officials of North Atlantic States, favoring appropriation similar to that made last year for road construction under the National Recovery Act, also for additional funds for road construction for the fiscal year of 1935, in an amount approximating the sum of \$400,000,000 for highways, together with allotments for forest, public land, national park, and Indian reservation roads, as previously appropriated by the National Recovery Act; to the Committee on Roads.

3076. Also, petition of the American Association for Labor Legislation, New York City, favoring the passage of the David J. Lewis bill, H.R. 7659; to the Committee on Ways and Means.

3077. Also, petition of Sunlight White Laundry, Brooklyn, N.Y., opposing the increased tax on soap costs; to the Committee on Ways and Means.

3078. By Mr. SUTPHIN: Petition adopted by the Association of Highway Officials of North Atlantic States, commending the Public Works Administration and the Bureau of Public Roads for their intelligent direction of highway work under the Public Works Administration program; to the Committee on Roads.

3079. Also, petition of Monmouth Memorial Hospital Alumnae, Monmouth Memorial Hospital Nurses Home, Long Branch, N.J., endorsing the principals enunciated in Senate bill 1944; to the Committee on Interstate and Foreign Commerce.

3080. By Mr. THURSTON: Petition signed by 138 railway employees, requesting the Congress to enact the Hatfield-Keller bill; to the Committee on Interstate and Foreign Commerce.

3081. By Mr. TREADWAY: Resolution adopted by Woman's Christian Temperance Union, North Adams, Mass., urging early hearings and favorable action on H.R. 6097, providing higher moral standards for films entering interstate and international commerce; to the Committee on Interstate and Foreign Commerce.

3082. By the SPEAKER: Petition of the municipal government of Balayan, Bantagas, P.I., regarding Philippine independence; to the Committee on Insular Affairs.

3083. Also, petition of the municipal government of Loboc, Province of Bohol, P.I., regarding Philippine independence; to the Committee on Insular Affairs.

3084. Also, petition of the city of Cleveland, Ohio, urging passage of Senate bill 752; to the Committee on the Judiciary.

3085. Also, petition of J. Neilson Barry, opposing the joint resolution for a 3-cent postage stamp to commemorate Rev. Jason Lee; to the Committee on the Post Office and Post Roads.

3086. Also, petition of the American Institute of Mining and Metallurgical Engineers; to the Committee on Mines and Mining.

3087. Also, petition of the municipal government of Bolinao, Province of Pangasinan, P.I., urging passage of the King bill; to the Committee on Insular Affairs.

SENATE

TUESDAY, MARCH 20, 1934

The Chaplain, Rev. Z. Barney T. Phillips, D.D., offered the following prayer:

Eternal Father who hast begirt us round with loving care, blessings beforehand, ties of gratefulness, and hast committed to us rules of reason as holy messengers of Thine: Forgive our foolish ways, capture our truant thoughts, direct our wandering wills, as once again with contrite hearts we fling ourselves as penitents in utter self-abasement upon the world's great altar stairs of prayer that slope through darkness up to Thee.

Touch Thou our lips with truth; let kindness rule our hearts, that we may ever devote ourselves to the furtherance of Thy promise of a regenerated world, and bring comfort for grief, confidence for fear to all the sons of men whom in Thy name we are called upon to serve. Through Jesus Christ our Lord. Amen.

THE JOURNAL

The legislative clerk proceeded to read the Journal of the proceedings of the calendar day of Monday, March 19, when, on motion of Mr. ROBINSON of Arkansas, and by unanimous consent, the further reading was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed the bill (S. 2534) to further extend the operation of the act entitled "An act for the temporary relief of water users on irrigation projects constructed and operated under the reclamation law", approved April 1, 1932, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 7581. An act to authorize a board composed of the President, the Secretary of the Treasury, the Secretary of Commerce, and the Secretary of Agriculture to negotiate with foreign buyers with the view of selling American agricultural surplus products at the world market price and to accept in payment therefor silver coin or bullion at such value as may be agreed upon which shall not exceed 25 percent above the world market price of silver, and to authorize the Secretary of the Treasury to issue silver certificates based upon the agreed value of such silver bullion or coin in payment for the products sold, and for other purposes; and

H.R. 8402. An act to place the cotton industry on a sound commercial basis, to prevent unfair competition and practices in putting cotton into the channels of interstate and